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CANADA AT THE CROSS ROADS

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CANADA AT THE CROSS ROADS

BY

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"The Fur Trade in North America," Etc. Etc.

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CONTENTS

PAGE

CHAPTER I.

ARE AMERICANS INTERESTED IN CANADA'S DOMESTIC PROBLEMS? - - - - - - - 1

CHAPTER II.

THE CHANGE FROM SEA POWER TO LAND POWER - 12

CHAPTER III.

WHAT IS THE MATTER WITH CANADA? AWAKENING TO NATIONAL CONSCIOUSNESS AT LAST - 28

CHAPTER IV.

IS CANADA STALLING TO-DAY? - - - - - 50

CHAPTER V.

CONVERTING THE NATIONAL PARKS INTO A NATIONAL ASSET. THE VALUE OF SWITZERLAND AND THE LAKE REGIONS OF ITALY TO EUROPEAN NATIONS IN AMERICAN TOURIST TRAFFIC - - - - - - - - - - - 71

CHAPTER VI.

HOW CANADA DOES NOT GET ONE-FOURTH THE PROFITS FROM HER NATURAL RESOURCES AND WHY. A CHANCE FOR A NATIONAL CO-OPERATIVE SALES AGENCY IN EVERY CITY IN THE UNITED STATES AND GREAT BRITAIN - 86

CHAPTER VII.

THE PAPER SULPHITE AND PULP INDUSTRY OF CANADA - - - - - - - - - - - 98

CHAPTER VIII.

CANADA'S COMING NATIONAL IMMIGRATION POLICY - - - - - - - - - - - 113

CHAPTER IX.

HOW THE SOLDIER SETTLEMENT BOARD IS WINNING OUT. WHERE THE KNOCKS COME FROM, AND WHY. WHAT CANADA IS PAYING AND WHAT SHE IS GETTING - - - - - - - 124

PAGE

CHAPTER X.

CHANGES TO BE MADE TO WIDEN THE SOLDIER SETTLEMENT TO INCLUDE OTHER MEN, IMPERIAL VETERANS, NURSES, GENERAL SETTLERS, WIDOWS - - - - - - - - - - - 135

CHAPTER XI.

THROWING A MONKEY WRENCH INTO NATIONAL DEVELOPMENT. IF CANADA HAS OIL AND POTASH AND TAR SAND DEPOSITS AND WELSH ADMIRALTY ANTHRACITE COAL, WHY DOESN'T FOREIGN CAPITAL COME IN AND DEVELOP IT? LOCKING OUR NATIONAL RESOURCES UP SO TIGHTLY THAT THEY DON'T YIELD RETURNS - 153

CHAPTER XII.

HOW LABOR IS THROWING A MONKEY WRENCH INTO THE WHEELS OF NATIONAL PROGRESS - 179

CHAPTER XIII.

STOP KNOCKING OUR NATIONAL RAILROADS—"BENT, BUT NOT BROKE"—COMPARISON WITH OTHER TRANSCONTINENTALS IN AMERICA - - 197

CHAPTER XIV.

WHAT IS HAPPENING IN THE AMERICAN FUR WORLD, AND WHAT IT MAY MEAN TO CANADA - 208

CHAPTER XV.

WHY THE WESTERN FARMER SHIED AWAY FROM ORGANIZED LABOUR—WHICH ARE THE BIG COMING CITIES OF THE WEST?—THE LABOUR DEFICITS ON RAILROADS—WAGES OF STATESMEN VERSUS MECHANICS - - - - - - 227

CHAPTER XVI.

BY AEROPLANE OUT OVER THE MOUNTAINS OF PEACE RIVER - - - - - - - - - 244

CHAPTER XVII.

WHAT OF THE FUTURE OF CANADA AND THE UNITED STATES? - - - - - - - - - 264

CANADA AT THE CROSS ROADS

CHAPTER I

Are Americans Interested in Canada's Domestic Problems?

Are Americans interested in Canada's domestic Problems?

In ten years Canada absorbed into her North-Western grain provinces 450,000 of the choicest farm settlers from the Western States. That is, in ten years, she has drawn into her national life what is equivalent to one-fifth the original population of the Thirteen Atlantic Seaboard Colonies, when they declared their independence. That such an increment could come into any national life without vital far-reaching influences on the international relations of both Canada and the United States is flatly to ignore the teachings of past history. These 450,000 American settlers represented the very pick of Western American pioneers—the sons and daughters of the men and women, whose enterprise literally created the great American commonwealth from Minnesota to Texas. They are of the blood that neither climate, nor Indian warfare, could daunt. What though there were no railroads west of the Mississippi, when they migrated from the East? Their brawn and brain created the traffic for the railroad; and the trans-Mississippi Empire is to-day gridironed with rails. What though three-quarters of the unknown territory

west of the Mississippi were labelled and libelled "Desert"? These pioneers turned on the sluice gates of irrigation, of dry farming, of mining, of oil drills, of lumber mills; so that the desert bloomed like the rose; and of the total colossal exports of the United States to-day, manufactured and raw,—$8 billions at the time of writing (though owing to deflation and exchange they may shrink in the future) over 60% can be traced back in flour, wheat, corn, beef, copper, gold, silver, lumber, steel and oil, to the primary producers of something from nothing, the dauntless pioneers of the trans-Mississippi Empire.

Economists may point to the superficial fact that of the United States' total exports, the preponderance is in manufactures; but the huge superstructure of manufactures rests primarily on what? On raw products, cotton, lumber, corn, cattle, wheat, minerals, oils, fish; on the men and women, who created and produced something that did not exist before—who took by the duress of muscle and brain and endurance and work from soil and sea and mine and forest and oil-well what did not exist for humanity before, and gave the foundation for the superstructure of prosperity for all, without robbing any man of his heritage. Analyzed down to foundation finals, manufactures, city money mart, Wall Street, the Grain Exchange, the great merchant marines, that shuttle back and forward weaving commerce across the Seven Seas—all are but middlemen between the primal producer on farm, in mine, in forest, on ranch, in the fishing dories of the seas and rivers, on the Western sheep and cattle ranches, but middlemen between these primal producers and the ultimate consumers on markets far and near.

We have developed such loose ways in our thinking and such sloppy ways in our talking of nationalizing this and that, that we ignore the fact that all farms, oil wells, mines, forests, river and ocean fisheries within the littoral limits west of the Mississippi were nationalized, if "nationalized" means nation-owned, within the memory of people living to-day; and all this nation-owned, undeveloped wealth was not worth a dime to any man, woman, or child on earth, till the individual owner got his grub-stake of homestead, timber limit, mineral claim, oil well, and began operating this nationalized dormant wealth into profits for himself and his family.

Then only did the sleeping giant of dormant wealth awaken and pour his floods of gold into the lap of an eager hungry world.

To talk of nationalizing the products of his "thrifty husbandry of many years," his self-denial, for two or three generations, his chase after what the rest of the world called "rain-bow ends" through lean years—to talk of nationalizing what the nation as a nation couldn't and wouldn't do—well, it is to laugh!

It is the ultimate producer—not the myriad middlemen—that the nationalizing propagandist is concerned with; and he will no more sweep him off his feet than Lenine and Trotsky have swept the Russian peasant off his feet. It is the Russian peasant standing firm with both hands to the plough who has defeated the vague, airy, idle, paper schemes of communism. He has been the breakwater wall against which the floods of anarchy have beaten in vain; and he will be the ultimate bulwark against similar wild waves in America.

And this is the quality of American settler of whom 450,000 have poured into Canada in ten years.

Take the Great Peace River Country of the North—where a sudden bend of the isothermal line to the Arctic Circle has opened up a country equal to the area of Texas and Oklahoma and Kansas! Whether in the cattle country north of the Peace River, or the wheat country south, two-thirds of the population are Americans; and they went in ten years before there was any railroad (there are two roads there to-day following as usual the trail blazed by the pioneer), beating up zig-zag over a bush trail 600 to 700 miles from the Pacific Coast, or sleighing out in a caboose heated by a tin camp-stove through zero weather 400 miles from Edmonton.

Such settlers don't come easily, go easily. They stick; and they build an empire.

But these figures of 450,000 American settlers in the farm provinces do not tell half the story of the great migration—a migration that would pale the significance of the Santa Fé and Oregon Trails, only we are too close to get the perspective and the significance of the great racial movement.

Realize for a moment when the Colonies gained their Independence one-hundred-and-seventy odd years after the coming of the first founders to Manhattan, to Plymouth Rock, to the Roanoke and the James; they had as far as we can estimate without a formal census a combined population of over 2,000,000, under 3,000,000!

To Canada from 1900 to 1920, there came 1,349,212 American settlers. The famous Oregon and Santa Fé Trails celebrated in song and story, in legends of Whitman Rides and Overlanders and "Pike's Peak or

Bust"—have no such racial movements remotely approaching this migration. As I shall explain later and more fully, not all these new-comers stayed. Only 450,000 remained permanent settlers; of the other 800,000 Americans, some filled their homestead duties, sold out to land syndicates at $25 and $30 an acre and went back to their old homes. These were chiefly of the bachelor squatter class. Others didn't sell out but went back to the States and are holding on to the land for an increase in values, that is occurring up to $50 and $60 an acre. Others enlisted with the Canadian troops and went to the war. Others again later went with the American troops. Many drifted to the mines of the Yukon and of Northern Ontario. A great many left the farm for the high wages of munition factory and shipyard during the war. Multitudes of these 800,000 floaters left Canada as boys and will come back with capital to work out their heritage as men.

But no alarm need be felt for this migration. From 1867 to 1900 over 2,000,000 Canadians came to the United States.

With these figures before one, to ask—are Americans interested in Canada's domestic problems—is to laugh. To aver that "Canadians don't like Americans, or Americans don't like Canadians"—as a foolish and superficial article recently did, when Irish propaganda was running true to form for the anti-British vote preceding elections—is to fly in the face of facts and figures. Would a million-and-a-half Americans migrate to a land where Canadians dislike Americans? Canadians have wooed Americans with both hands out full of promises, which have been made good. Again, over two million Canadians would hardly migrate to a

land where Americans resent Canadians. Canadians have conscripted for national service Van Hornes and Shaughnessys from the American side of the Border and have conferred on them titles and wealth and every sort of public honour; and Americans have absorbed into national service Jim Hills and Graham Bells from the Canadian side of the Border and heaped on them all the wealth and honour individual lives could carry. This inter-racial reciprocity does not take place against inter-racial antagonism. It takes place only across a Border where there are no forts, no patrols, no armaments scowling hate and breathing the poisonous deadly gases of envy and suspicion. Only one line marks the International Border—little white-washed stones that spell out for a Border breadth of 3,000 miles the magic epitaph to the burial of all antagonism—R. I. P.—Rejoice in Peace!

But on the purely materialistic grounds of trade relationship—are Americans interested in Canada's domestic problems?

All countries are to-day crying out for a resumption of foreign trade to keep the world from going bankrupt and plunging into an abyss of labour anarchy. Only by keeping foreign trade growing and growing yet again, can the war-ruined world pay its debts. Only by keeping foreign trade racing like a shuttle across the seas, can factories remain operating, and the workers remain employed, and the ultimate producer find his ultimate market in the ultimate consumer.

Farmers learned that lesson in the war, when prices of cotton, wheat and corn rose beyond all prediction. It was further realised when foreign trade began to slacken, orders were cancelled and prices dropped

ruinously. Factory workers and railroad labourers learned the same costly lesson. When foreign buyers could not buy more, and factories closed rather than face strikes by lowering wages; when railroads ran with half crews and those crews on half time because the demands for freight no longer paid operating expenses, from two to three million people were thrown out of employment in the United States. This does not mean that there was no longer work for them at lowered wages. When foreign trade was at its height, there was more than enough work for all. When foreign trade fell off, labour was standing idle. Necessity dictated—Scratch for it, or starve; and men, who had been receiving $10 a day and going to work in their own motor cars wearing silk shirts, felt the change. They learned quickly enough what the Foreign Trade Gospel meant.

On purely materialistic grounds of trade relationship, are Americans interested in Canada's domestic problems?

America's colossal foreign trade at the time of writing represents between $13 and $15 billions, and Canada is the United States' second-best customer. Canada with a population not much larger than that of New York City, in spite of tariff walls, buys a billion dollars a year from the United States and sells about half a billion dollars a year to them. She buys chiefly manufactured products and sells chiefly raw products—lumber, wheat, beef, pulp woods. It should be explained here that she does this in spite of a tariff wall; which is not a spite wall. Canada has a War Debt of over two billions to pay; and she can pay it only in one of two ways—by direct taxation on income and

capital, or by taxation on imports. Heavier taxation on incomes and capital she cannot stand without hurting both; so she keeps her tariff as the United States keeps hers. Canada's tariff to-day against the United States is lower than it was under the free-trade apostle of the Cobden-Bright-Manchester School—Sir Wilfred Laurier. It is lower than it has been since 1867.

Let us suppose that, by diligent anti-British propaganada in the United States, a tariff wall became a spite wall to keep out Canadian imports! Suppose Canada were driven to retaliate by erecting a still higher tariff wall against American goods! Who would suffer? Canada would be hurt to the extent of the half billion farm products she sells to the United States. The United States would be affected to the extent of the billion dollars she sells to Canada. Canada, we'll say, would suffer just half as severely as the United States; and you have only to examine the quality of the things Uncle Sam sells to Canada to realize that such a spite wall would hit the Middle Western factory quite as hard as the Eastern anthracite coal mines. Curtail your Middle Western factory output by a billion dollars, an eighth of all the United States' exports, and where would your Middle Western factory wages fall; and who would pay the high prices for Middle Western hogs and corn and wool and beeves and sheep; and how about the wages of the railroad crews, who to-day prosper carrying a billion dollars' worth of freight yearly to Canada? Canada can always sell all her raw products to Europe. She is selling close on a billion dollars to Europe now. Divert all her products to Europe instead of the United States; will that build up the factories of Europe, or the United States?

When you come to consider Labour—the International Brotherhood—of which the world has dreamed as a millenium—the interweaving strands of the two democracies on this continent reach into the very vitals of the workers. Please note I said "workers," not "working classes." We are all "working classes" in Canada and the United States. We are still so much essential producers in Canada—smacking of the soil and the sea, the mine and the lumber woods—that we abhor this libel of "classes" and "masses" smelling of European ghettoes, and London's windy agitators, and Karl Marx's poison German theories, rather than the clear, clean ozone of the prairies and the pines.

Consider the Labour world of Canada and the United States! The railroad brotherhood are one North and South of the Boundary. When wages go up in the United States, they automatically go up in Canada. The mining brotherhood are one. The scale of wages in Alberta, or British Columbia, is the scale set by conventions in Butte, and Indianapolis. The paper makers' brotherhood is one. The scale set for mills on the Northern Pacific, or only 186 miles from James Bay in the hinterlands of Ontario, is the scale agreed upon in conventions at Buffalo, or Rochester.

But there is a deeper reason, which any thinker with prescience should foresee, for the keenest interest of all Americans in Canada's domestic problems.

To paraphrase Benjamin Franklin's famous phrase—the two people must hang together, or be hanged separately.

While a great racial migration of 1,349,212 Americans crossed to Canada, there came to Canada in the same period 1,302,037 British settlers, three-fourths of whom

were as pure English as the first Quakers on the Delaware, or the Cavaliers on the James, or the Pilgrims in Massachusetts; and these were only forerunners of one of the greatest migrations the world will ever witness.

Just consider for a moment facts, not airy dreams; and the stodgiest thinker may assume the role of prophet. Of the forty-seven million people more or less left in the British Isles to carry and pay the War Debt, 500,000 are the chief tax payers. You have only to read the British press to learn the weight of that burden. Spare your shafts against an "effete aristocracy"—I think those are the very words of the shallow soap-box orator. There won't be any aristocracy, effete or otherwise, left after the tax-collector finishes with him. There will only be an epitaph of what once was. There will be a new aristocracy. I trust it will be one of worth; but I don't know. Neither do you. All we know is—that old aristocracy—as Lansdowne's plaintive letters to the "Times" during the War testified—will be taxed off the British map. It will not be taxed to the death; but it will be taxed perforce into pastures new. No. 500,000 people on earth can carry on their backs the burdens of forty-seven million people without their backs breaking. They are breaking now. Read the prices in the British press at which the old landed estates can be bought with all their parasitical past relegated to the junk heap! Parasitical idlers can't pay those taxes and remain idle.

For four-hundred years, ever since the defeat of "the Armada" gave England supremacy on the seas, Englishmen have been sea-rovers. That is what gave them the Canadian North-West through the gentlemen adventurers of the Hudson's Bay Company. That is

what sent them to British India through the East India Company. That is what gave them Australia. Cecil Rhodes saw what was coming long before the war and dreamed of an all-British Africa as an outlet from Sea Rovers to Land Power.

Where lies England's greatest potential Land Power to-day? North of the Canadian Boundary. There is destined to grow the Greater Britain Over Seas, the heritage for the sons of the Outer Mere; and thither they are preparing to come in such a race migration as the British Isles have never witnessed.

But this brings up the subtlest aftermath of all from the war—how the submarine has changed Sea Power to Land Power; and on Land Power the future great nations must stand, or fall.

(1) The Fordney Tariff Bill has been framed since these words were written, and it is the best illustration I know of the interdependence of these two great commonwealths. The prospect of this bill becoming permanent reduced Alberta beef cattle from $100 a head to $30 and $3 a head in two months. Did Canadians who advocated a policy of anti-Americanism foresee the results of this insane policy?

Mr. Fordney contends this tariff was not designed to "slap Canada," but was to protect both Canada and United States from floods of imports from cheap labor and low exchange countries, where wages run at 30c a day in our currency, and their exchange at 1-3c, 1-20c and 1-200c in $1—Germany, Austria, Russia and Latin-America. Fordney proves that 12 countries—among them our Allies of France, Belgium, Italy—have increased tariffs since the Armistice from 7 per cent. to 300 per cent. He gives 5,400 examples of goods (raw and manufactured) coming into U.S. at labor cost of $500, which cost $1,000 to produce in Canada and U.S. He contends Canada and U.S. are in same boat and must work together to keep out this cheap flood The exact figures are:—

Fiscal year ended June 30, 1920:

Exports	$7,950,429,180
Imports	5,238,621,668
Visible balance	$2,711,807,512

Europe purchased $4,864,000,000; North America $1,636,000,000; South America $491,000,000; Asia $798,000,000; Oceania $193,000,000, and Africa $128,700,000. These purchases included some re-exports of foreign goods, making the total exports of both domestic and foreign goods $8,211,000,000.

CHAPTER II

The Change from Sea Power to Land Power

A new phrase is subtly creeping into discussions of all international relations.

It was first coined by the military and naval observers of all the Governments sent abroad to study the strategy of the Great War. Then it found its way into the secret official report of the great practical scientists of each nation involved in the War, employed to devise new inventions to counteract submarine and mine and aeroplane.

The phrase is "Land Power."

Note it well!

It is destined to become in the next fifty years the same pivotal focus of national defence that the phrase "Sea Power" implied for the past four-hundred years; and there is not a big fuel or engineering scientist, naval or military man, who observed the past War, who does not realize this.

It is the real reason why so many Americans smile contemptuously at the League of Nations as the fatuous myth of impracticable dreamers, who do not know facts and refuse to recognize them, even when they impinge with irresistible impact against a stubborn determination of the whole League or no League.

Land Power is the pivot of that Greater Britain which King George foresaw when he visited Canada a few years ago, and which the Prince of Wales again foresaw

when he recently crossed the Canadian prairies. Both princes had their training in the navy; and the British navy was the first to realize what was happening, though the American navy was a close second; and their realization is likely to leak out in the American Naval Enquiry, like secrets whispered by boys suddenly out of school. It will be recalled that a party has recently arisen in England protesting against the construction of any more $20 and $40 million dreadnoughts. This is not a pacifist movement. It originated among the younger and more progressive element inside the British Navy. Practically, a similar factor has become active in the same class of the American Navy. This was apparent when Secretary Daniels of the Navy heard evidence from the Aeroplane and Submarine specialists as to the powerlessness of a $40 million superdreadnought above a submarine equipped with latest devices, or under a seaplane equipped with similar devices. The controversy has literally split the naval authorities of both countries into two hostile camps. The old men stand for more and more powerful superdreadnoughts; and they loathe service in the assassin shark of the underseas—the submarine; but the newer, younger and more progressive element point out, that it is not a matter of likes and dislikes but of scientific tests; and that the $40 million superdreadnought is only a helpless Goliath vulnerable to the David's pebble of a bomb from aeroplane or submarine. Therefore, the only safety of a nation is in an impassable fence of aeroplanes and submarines. Tradition dies hard. The controversy is likely to assume the proportions of a battle royal between Goliaths and Davids in the next ten years.

No, I am not referring to Canada as "the Granary of

the Empire," the way we used to talk in the old hard times of the North-West, when we were trying to bolster up our own depression with hope deferred.

It is a deeper and subtler thing than that.

It is a new line-up for the nations of the world, which Russia and Germany foresee and are forefending by preparing to get together.

It is a new line-up, which makes Canada, not a pivot, but the pivot of the British Empire.

British statesmen see it. That is why the newer men are eager and willing for Canada to have her own embassy, or legation, or whatnot in Washington.

It will bring more British capital into Canada in the next twenty years than was invested in the United States in a century; and if you know the facts of the case, it was British capital that financed more than fifty per cent. of the opening of the American West.

It will bring more capital into Canada in the next twenty years than all the two billions of American capital poured into Canada in the last ten years.

During the War, the Navy did not tell secrets, but most of us know that wonderful scientific devices were perfected for listening in on wireless messages, for directing the spiral course of an underseas bomb, for detecting the approach of a submarine or surface ship for a radius of four to eight miles, for camouflaging blockade runners, so that in one trial case a blockade runner actually defied hitting by all the big coast guns and war vessels guarding the coast firing at her for a radius of four miles for four hours.

Germany knows this. When she sank her fleet she knew that she suffered little loss and put the Allies to great expense.

Russia knows this and will work out a union with Germany, unless the Allies beat Germany to it in an alliance with Russia; for what most of us do not take in is that all these scientific devices cut both ways.

If we may listen in on wireless messages, so may the enemy.

If an underseas bomb can be directed unerringly on a spiral course, the submarine is ten times a more dangerous shark to Sea Power than ever before; and if scientific camouflage can defy hitting by all the warships in the world in a radius of four miles for four hours, the same camouflage renders the submarine invulnerable. The nation that is best equipped and with the greatest number of submarines is safe from attack and invulnerable in naval war.

Naval men do not like that word invulnerable. They dislike it for two reasons. If the submarine is invulnerable it means the end of costly navies. It means the end of big appropriations for navies, which in the past have always worked out in countless ramifications of ship yards and steel and political support. It spells the doom of Sea Power except in terms of land defence. The old line men resent that, though the new blood and the scientists know it has been proved by the War. Also all navy men hate, loathe and despise submarine work. It is murderous. It is unethical. It is the deed of a hidden assassin, violating all codes of sea or land. Then, physically, it is plain hell, destructive of morale, and discipline, and nerves, and mental balance. No crew will stand it for a long term and no commander can command it for a long term. Germany could maintain her submarine warfare only by the wildest exaggeration of honours in reward and the widest latitude as to dis-

cipline and stimulants when ashore. Navy men hate the submarine; but there it is—a Frankenstein thing of evil, a menace sounding the doom of the very thing it was created to defend—Sea Power.

Old line navy men are setting their faces against the inevitable. New blood, guided by scientific facts, is facing and forefending against the inevitable.

"Do you realize," I was asked by a scientist, who did more with new inventions in bombs and hydrophones and fuel devices for the Allied navies than any man living; "do you realize Admiral Mahan's Sea Power will have to be re-written? It will have to be re-written *Land Power;* and all the nations who don't want to be wiped out, will have to line up with the new order.

"People thoughtlessly criticize England for a quick conciliatory peace with Russia, the Russia of the Soviets, when she is ready to thrash the Turks at the drop of the hat; but do they stop to think? If England does not gain Russian friendship, Germany will." (This man's most brilliant son—an inventor like himself—was killed by a German submarine.) "If Russia and Germany lock power and provide themselves with sufficient submarines, of which they have the scientific secrets as well as we, they can defy the world. Supremacy becomes not Sea Power but Land Power—Land Power reinforced by sufficient submarines to guard the coast and harry commerce at sea. Then where is England? Where is the United States? Naval supremacy becomes a question of land defence; and England's boasted trade, which is her life blood, and our foreign trade, without which half our factories would have to shut down on a moment's notice as they did when the war

broke out in 1914, would be closed up, hermetically sealed.

"That is why I say the change from Sea Power to Land Power makes Canada the pivot of the Empire to-day.

"That is why you will see British capital pour into Canada, not to escape war taxes, but because Canada must become the base of British supplies, the link between the United States and Great Britain for material defence against an Orient which is plotting to become hostile, or a Russian-German alliance which is now overtly hostile. With Canada, the United States and Great Britain hostile"—he threw up his hands—"the avalanche isn't coming—it is here if we permit that. Strangle British trade and you strangle the Empire! Drive a wedge between England and the United States; and you throw the gift of the gods and the sacrifices of the heroes into the lap of the enemy! It is so plain, I gasp, that our penny politicians don't see it. If we permit that to happen, it is a continent against a continent, America against Europe, and Europe against Asia—Asia menacing our West Coast—and what is to hinder except our defence of land-base submarines? And how many submarines do you think we have—facts, you know, not hot-air self-gratulations?

"Let me tell you some inside facts that seem to have no connection, but are vital as death and taxes; and remember I was an adviser to the navy when all this was going on. I was on the ships trying out devices again and again.

"We have boasted how we got the German submarines. Did we? We had submarine chasers in the hundreds. We—I am speaking of the U.S. Navy—had private yachts transformed into coastguards and scouts

by the thousands. We literally seeded certain sections of the North Sea with mines. Do you know how many German 'subs' we actually got? The chasers got exactly five. The scouts and guards say they got four —nine in all. Well, by actual count, seven German 'subs' are the tally of the American navy; and the mines got"—he paused—"by actual count not one. That is why the navy men, who care more for their country than for vain-glory and medals, are determined to blow the lid off secrecy, let the truth out and force a re-organization along scientific lines. The mistake Germany made was in beginning the war before she had enough submarines to defy the world. Her boastfulness overvaunted as usual and fell short. If she had had enough submarines to cripple the Allies' navies as she almost crippled the merchantmen at one stage of the war——" He paused. What I inferred from his silence was that the United States would have fought its Somme and Chateau-Thierry up in Canada repelling the German invasion which the Kaiser had definitely planned for Canada.

"Here is the trouble," he said. "You think our hydrophones and detectors protect our big dreadnoughts; but it works just the other way. As long as the ship is above water, the detector can find a target within a hair's breadth, can hear every footfall above decks, can register every lift of a man's hand, or turn of his head if he is up in the crow's nest on the look-out. But you equip the submarine with the same apparatus; where does your big dreadnought get off? It gets off the earth and the sea, straight to bottom quicker than I can utter these words; for get this point clear—as soon as the submarine submerges and zig-zags, the waves of

the sea deflect the detector. We know she is sharking under somewhere in a radius of four miles; but the waves deflect the register and we can't tell within four miles where she is.

"But she knows where we are to a hair's breadth; and your $20 million ship with 5,000 troops aboard may be junk in twenty seconds in the bottomless sea.

"These are scientific facts learned bitterly and at great cost in this war; and we can't evade them.

"They change Sea Power to Land Power, and it is for Land Power we must all fortify ourselves.

"That's where Canada comes in as the pivot of the British Empire.

"Let me tell you of a trial we gave one of our biggest and fastest ships. She made her test the fastest a big ship has ever gone—how fast is a naval secret; and we loaded her with men to the limit to go across. Her hydrophone registered a 'sub.' She made two to three miles faster getting away from that submarine in the dark than she made on her trial spin. If the 'sub' had had speed and a hydrophone to locate her——" He didn't finish the sentence.

"Then how about the big Navy Bills?" I asked.

He laughed. "Ask the scientists," he answered. "Just-one-big-bluff-to-the-taxpayers. *Whereas what we really want for safety is a treaty with England and Canada. That leaves all three nations invulnerable.*"

I didn't follow, and looked it.

"Do you realize the catastrophe that has happened to the world in Mexico's oil wells?" he asked.

"You mean shutting down drilling for three months?"

"No—no—a much graver thing. You know how two of the biggest oil wells—the gushers—one an American,

the other British—have taken salt water. Now when our Shipping Board called for tenders for twenty-nine million barrels of oil, it got tenders for only one-million-and-a-half. We are short of oil in this country fifty million barrels more than we can produce. The navies of the Allies to-day are oil burners. So are the merchant ships. Six-hour days and five-day weeks and high wages and scarce labor have made coal an impossible sea fuel; but we are all depending on Mexico. We thought her oil supply inexhaustible. We thought her supply of 100,000 barrels, 200,000 barrels, 300,000 barrels a day, a world supply for Sea Power. But what has happened?

"Mexican oil fields have always been an enigma to scientists. In other fields, you pumped from sand, which acted as a storage or reservoir under earth pressure; but what happened in Mexico? You could never study the field geologically as you did other fields; for the heavy tropical rains covered the earth with an impenetrable mat of verdure and humus. We didn't guess there were not storage sands below till the salt water came frothing and feathering up under hydrostatic pressure; and then we knew. These were not oil-stored, or oil-saturated, sands, but deep bowls, or pools, of oil resting under terrific pressure on salt water. When you got to salt water, the terrific pressure blew up and the oil was gone in every well for four square miles, where in other areas the sands were acting as storage for years, in Pennsylvania for as long as fifty years. Other wells will be drilled there and other big gushers will be found; but we have to face the fact—*an inexhaustible supply does not exist there, or in any similar formation of the tropics. We are short of fuel now for our merchant ships and navy. We are short for*

our tractors and motors. Oil is to-day twice as high in price as it was in 1914, and in four more years may be twice as high as it is to-day. Gasoline costs in England 83 cents a gallon."

I still did not see where Canada came in as the pivot of the British Empire in a new era of Land Power.

"Here is where Canada comes in.

"Here is where the United States must look to a Great Britain north of our boundary for our future mutual safety and prosperity and defence.

"First—Canada has possibly the greatest undeveloped areas of gas and asphaltum and crude oils in the North of any unexploited areas. Don't mistake me! I know two of the strongest companies in the world are already on the field drilling; but the point is—no private capital can test her unexploited areas in the way our mid-continental field has been tried, or in the way Cowdray and Doheny have tested Mexico. The oil for which the world is in need is there. It must be found, as one of Canada's greatest assets. Where gas burns perpetually, as on the MacKenzie River since 1792, are indubitable signs of oil or asphaltum beds of possible oil fuel; *and those signs must be explored till found, no matter what the cost. The Empire must have that fuel for future inviolate, invulnerable Land Power.*

"Canada's next great fuel asset is in her Western soft coals, of which she has been trying to make briquettes. *Her lignites by a new chemical process, which we didn't purpose giving out during the war, but shall now, can be converted into a new oil that will give her Empire the future whip hand of the world.* Canada is asleep as to this. We are not. I predict—" but he didn't finish his prediction. He finished:

"Canada has the pivotal position for the new era of Land Power."

I do not give this man's name, for he has said some things about the old line navy, which the old line men would not like; and his processes are to-day in use in every great navy of the world. He was consulting engineer for the Russian Government before the War. He was consulted by Germany years before the War; and he was the constant adviser of the Allied navies during the War. He has personally visited every oil field in China, in the Balkans, in Mexico, in South America, in Russia, in the East Indies. He is one of the greatest fuel experts living; and he says "Canada is asleep as to this.""

Then he went on to talk of Canada as the potential food base for the Empire as well as for the United States, but came back always to the thing we all learned in the War—that food without merchant fleets to convey it is useless; and Land Power means submarine defence and both merchant fleets and submarine defence work back to fuel supply, of which Canada has as rich resources as her wheat fields.

Was this why, I wonder, the Prince of Wales years ago, and the young Prince this year, both schooled in Sea Power, referred to Canada as the Greater Britain Overseas?

Now let us consider what the submarine may become within ten years. I quote from an interview given the New York Herald by Professor Flamm, one of Germany's greatest experts on submarine warfare:

"It is anticipated by German naval experts that Professor Flamm's discovery will lead to the building of submersible armoured warships of 10,000 tons, with

gun turrets on deck, torpedo tubes and having a speed of twenty-five nautical miles an hour, with a cruising radius of 12,000 miles. Should these expectations be realized, naval warfare would be revolutionized and the building of capital ships—superdreadnoughts and battle cruisers—probably would be discontinued.

"An important English ship-building company has already taken out English patents on Professor Flamm's discovery and it has also been patented in both Holland and Italy.

"Professor Flamm has finished detailed designs for a submarine of 1,443 tons, armoured. Also he has partially worked out plans for the construction of a submarine of 4,870 tons and 121 meters long, carrying two or four twenty-one centimeter (8 inch) guns, with a speed of twenty-five nautical miles an hour. He hoped, he said, to build a boat of 8,400 tons and one of 9,900 tons with a speed of twenty-eight nautical miles, armoured with plate sixty to seventy millimeters (two and one-half inches) thick and carrying four guns of twenty-one or twenty-two centimeters."

Or to quote other witnesses: "The programme for the construction of large fighting-vessels has been set aside until a complete survey can be made," reports the New York Herald. "Since this decision the captured German super-dreadnought Baden has been sunk by bombs dropt by British naval airmen."

General Mitchell declares that the development in aircraft since the war "spells the doom of the present-day dreadnought"; that the modern battleship "is as helpless as the armoured knight was against firearms." "We can sink any enemy vessel, armoured or unarmoured, that comes within 200 miles of our coast."

Says the New York World: "There is nothing at the back of the General Board's recommendations except the hunger of the General Board for more battleships at a time when the value of battleships is more or less problematical."

General Mitchell's main contention, points out the Boston Herald, is that "a thousand airplanes could be built for the cost of a single dreadnought, and with 3,000 airplanes we could construct an adequate force for the protection of the whole country."

Air forces, it is held by the Air Service officers, move five or six times as fast as the fastest ships of the Navy, and from an altitude of 10,000 feet an aerial observer has a "radius of view of about fifty miles; that is a circle with a diameter of a hundred miles. Therefore, they contend, the future control of the sea depends upon the control of the air, inasmuch as Admiral Fiske's torpedo-plane, according to the New York Tribune, "has been greatly improved and its deadliness against battleships demonstrated."

Sir Percy Scott, the centre of a storm of controversy over the big battleship problem, has had abuse and praise freely showered on his head. He says: "As regards the next naval war, I believe that it will be fought under entirely different conditions from those which obtained during the late war. It is now generally recognized that if the Germans had possessed more submarines at the beginning of the war they would have won "all out." Aggression by sea will be very difficult, if not impossible, and therefore if aggression by sea becomes impossible naval warfare must cease."

Or listen to P. W. Wilson, an English authority on Navy matters in the New York Review of Reviews:

"In the next war everything on land would depend on equipment. And equipment means chemistry in its most fearful activities. Britain to-day prefers battle-planes to battleships. She is building the former while she is scrapping the latter. On her air service she is spending 100 million dollars a year.

"The nature of sea-power has changed. Before the war it used to be said that Britain could not be invaded because she had a bigger navy than that of Germany. To-day we see that, owing to the inevitable development of submarines and aircraft, no country at any time will be able to invade any other country across the ocean.

"When the war broke out Germany had only thirty-six submarines. With ten times that number she would have won. Usually there were not more than eight or nine U-boats in use at any one time. But on the average each U-boat sank 100 million dollars' worth of shipping. With 600 destroyers and 6,000 auxiliary craft on the watch day and night for four and a half years the Allies captured or sunk only 205 submarines, and these submarines were of a type as yet rudimentary.

"The submarine is now supplemented by the larger submersibles and by aircraft which can discharge not bombs alone, but torpedoes also. So formidable are these novel engines of sea-war that Britain has not only ceased building any new battleships or battle cruisers, but has actually scrapped three of the latest type which were at various stages of construction. So far as Britain is concerned, therefore, the race in battleships is dropped. Most British admirals consider that the monster battleships now under construction in the United States, at forty million dollars apiece, would

never go into battle in any war fought with the new weapons of attack. Britain has also scrapped more than 600 warships and the scrapping merrily goes on. An American battleship a mile long, with a hundred 30-inch guns, would matter less to England than half a dozen submarines, built against her by Norway, at a hundredth the cost."

Suppose the submarine and aeroplane experts are right. Suppose Admiral Mahan's Sea Power must be re-written in terms of Land Power. How will the New World line up?

Germany, Austria and Russia present one group. They can exist by themselves independent of the outside world. If the submarine and the aeroplane had been as fully developed when the War broke out as they are to-day, they could have prevented the landing of a foreign soldier on European soil. This is not the foundationless inference of an outsider. It is the consensus of expert reports given to both the British and the American Navies; and by the British, the report is being accepted.

Germany, Austria, Russia—one group.

Take the Orient. Is Japan asleep? Not perceptibly to the naked eye. Japan is the dominant force in the Orient to-day. She may break her power as Germany did by precipitate plunging before the stage is set; but if she bides her time till she conciliates China and wins India—you have the Oriental group—Japan, progressive as the United States; China, a sleeping giant awakening; India, a seething volcano of inter-racial hates held in check only by British dominance, which may last, or snap, as Mexico snapped when people unready for self-government seized it and plunged in the abyss of anarchy.

Then there is the group of Latin-America. We may flatter ourselves that in another world-war such as Viscount Grey forewarns us would end modern civilization, that Latin-America would line up with the great self-governing democracies of the English speaking races; but Japan is already a strong factor in the Western Republics of South America and Germany is already the preponderating influence in at least two of the Latin-American Republics on the Atlantic. We can judge what a racial group will do by what they have done; and until it became apparent that Germany was destined to be defeated, the neutrality of the Latin-American Republics was of a quality that played into the hands of the enemy, or leaned so far backwards that we had to pray to be saved from their friendship.

There remains the English-speaking group of democracies—the United States, Canada, Great Britain and her South African and Australasian dependencies. As Lothrop Stoddard has pointed out with a clearness not to be confused, Islam is busy with South Africa. Which race will dominate Africa, no man can foretell. In a submarine and seaplane war, Australasia could be written off the map as quarantined. England would last just as long as she could keep her sea lanes open with supplies of food and raw products coming to her, just as long as she could keep her fence of submarines and aeroplanes intact from invasion.

She knows that now, and is preparing to pour her colonists by the millions into Canada as a Greater Britain Overseas; so you have the final group, the United States, Canada, Great Britain; and again to paraphrase Benjamin Franklin, the only future for these great democracies is to hang together, or be hanged separately.

CHAPTER III

What is the Matter with Canada? Awakening to National Consciousness at Last

Sir William Van Horne, one of the great builders of Canada, began life as a boy helping to transport troops for Carl Schurtz in the American Civil War. It was then he first met Jim Hill, the great builder of the wheat empire in the American North-West. Once crossing the continent, a group of us, all North-Westerners, were sitting in his stateroom listening to his racy reminiscences of those early days, when he delivered himself of this somewhat astonishing dictum: "It wasn't Jim Hill who built the wheat empire of the North-Western States; and it wasn't Strathcona, or Mount Stephen, or any of the rest of us, who opened the Canadian North-West! It was the inevitable force of events. Nor was it English bondholders who opened all the West! I'll tell you what poured the population into the West. It was the Civil War. The boys from Vermont and New Hampshire and Pennsylvania served shoulder to shoulder with the boys from the new territories—from Minnesota and the Dakotas and Missouri. They learned in camp talk of the wonderful new world lying West of the Mississippi. They heard of the free land in millions of acres and what that land would raise; and when the war was over, they would not go back to be farm hands in the East, or to slave on the old homesteads. They were restless and the urge drove them West. That is

what built the West up. It wasn't any of us. We were just lucky—created by the force of circumstances."

If he were alive to-day, I wonder what he would say about the re-action of the Great War on the Canadian West; for the analogy is very similar, only on a huger scale. Between 400,000 and 500,000 Canadian boys were called to the colours. Over 400,000 went overseas. Over 300,000 fought on the firing line continuously. The other 100,000 were held in reserve in English training camps for replacement. While the casualty list of wounded and dead took a terrible toll—almost 25%—between 300,000 and 400,000 have returned to Canada with a new vision of their own land, with a new sense of their own power, with a national consciousness and unity of purpose hardly articulate to themselves yet, but in a ferment potent for the future of Canada.

"I went over there awed with a sense of Old World traditions," said a young officer to me, "and I lost a lot of illusions. I know now Canada in man power and national wealth is a giant compared to pigmies lined up with those nations we fought to save. Except for minor wounds and some fever I got in Gallipoli and India, I came through alive; and I came through as I know the most of the fellows did, prouder of Canada than I had ever been and determined to put Canada on the map. We met the American fellows, and while we scrapped as members of the same family are apt to do till an outsider butts in, we somehow got the hang of the fact that Canada is not making the progress she ought. She is as big and as rich as the United States. She is chuck full of opportunities. She is as old as the United States. Yet she seems to stall. There they are with a population of 105 millions. Here we are only seven or eight millions. Why don't we go ahead? Our foreign com-

merce is great for our population—over two billions, to their thirteen or fifteen. We've got the stuff in us. We've got the goods. Yet there they are going ahead of us. What I want to know is—What is the matter with us? Why do we stall, and go ahead in fits and starts?

"Well, why?" I asked him.

He stopped his motor car and sat thinking.

"I don't know—at least not yet," he answered. "But I am going to know. We didn't fight that War for nothing. I am not sure yet; but I think it is because we don't hang together—lack of a feeling we are a nation and going ahead on our own as a nation; and I'll bet you hear the same from 90% of the boys who have come back. We have come alive through that hell. Now, we are going to start something. They will hear from us in Parliament before we are ten years older—"[1]

And it cannot be gainsaid—that young officer expressed the sentiments of an army of youths old in thought and experience.

"What is the matter with us?"

It is useless at this stage of reconstructing a ruined world to take up time expressing opinions. The world is so full of wind to-day instead of work, of opinions instead of facts, that opinions are not worth one hoot as a foundation on which to rebuild a shattered world.

You have to use solid facts for solid foundations; and not hot air. The world is so full of hot air to-day, that it would take only a match to kindle a universal explosion; and what a match applied to hot air will do—

(1) This boy has made good his prophecy. In his home city the two old parties put up their approved candidates with party backing and funds, and beat all the tom-toms of the old cries to rally the clans. A soldier—blind—ran without funds and without backing as an independent. He was elected by an overwhelming majority.

you have best illustrated in conditions in Russia, in conditions in Mexico—which I have witnessed with my own eyes—in conditions in Germany, in conditions in Austria; and Canadians have not the slightest desire to see Canada emulate those conditions.

The world knows what Emma Goldman said when she sailed from New York—that she and her revolutionaries would come back and light a flame that would blow civilization off the face of the earth for a newer and better civilization. Now there is not one of us who does not want and hope and pray and work for a better and better type of civilization to that perfect day, of which the prophets and poets have dreamed; but the present structure of civilization has taken 6,000 years to build; and some of us think if you find a rotten brick or a crumbling stone in that civilization, it is wiser and safer to pull out the bad brick and replace it with a good one than blow the whole structure to hell.

So does Emma Goldman **now.** You know what she said after she had been in Russia for three months. That it was absolute hell—that three-quarters of the people were starving—and that conditions in America were heaven compared to the conditions she found in a liberated Russia.

And so Canada must build a new world on facts, not opinions.

The wisest teacher the world ever had said, "The Truth shall make you free."

The mathematical fact that 2 and 2 equals 4 is just as much a revelation of God as the proclamation—"The Truth shall make you free."

You can't modify the fact that 2 and 2 equals 4.

The trouble to-day is that a lot of us are trying to prove that 2 and 2 plus hot air will equal 6. It won't.

The ends won't meet, as we are finding in breakfast bills, in tax sales, in interest on municipal and provincial and federal bonds.

You can't break an eternal law. It breaks you.

And eternal law is built on facts.

The wisest financier I know in America to-day, a man who began a penniless newsboy in a Middle-Western city twenty years ago, and built up his personal fortune by selling fuel, light and heat to a community of ten million people in the Middle West at a cost of $35 a year, where the community had formerly been paying from $150 to $300 a year—when asked the secret of his marvellous spectacular success, answered very slowly and very thoughtfully:

"Believe what you find to be true;

"Build on facts and hell can't beat you."

And I consider that financier's answer in no wise different from the Scriptural dictum—"The Truth shall make you free."

Only after a moment's reverie, to his formula for success he added—"Yes, and don't forget—if the postman stopped to kick every dog that barks at his heels, he would never get his mail delivered," which is not so different from that other Scriptural injunction—"Turn not to the right hand, nor to the left." "Winnow not with every wind."

And in considering Canada's present and future—let us keep anchored to eternal facts; for it is only on facts we can build up to the nation she ought to be and the destiny which ought to be hers.

Some of the facts will be agreeable.

Some will be disagreeable; but you can't dodge a fact by ducking your head. You get hit just the same.

In area, Canada is one of the largest nations in the world. She is equal in area to European Russia, or to the United States.

Everyone knows that.

In natural resources, Canada is one of the richest nations in the world.

She has unscratched timber areas; she has wheat lands capable of producing a billion bushels a year; she has coal beds, anthracite and bituminous, to supply all her own needs and all South America's; she has mines of the precious metals, promising a future Transvaal; she has oils which may prove a second Mexico; she has fisheries, the best in the world, both on the Atlantic and the Pacific; she has furs—to supply the whole world's demands.

What distresses Canada is—if we have the goods for which the whole world is clamouring, why aren't we delivering them?

If we have the timber areas, the wheat lands, the coal beds, the precious metals, the oils, the fisheries, the furs, why aren't we supplying the demands of a world market, famished for these things and ready to pay the highest price for them known in all time?

Don't dodge the question! Face it!

The objection may be raised—that is not a fair question: we are doing the biggest foreign trade ever known in Canada's history: we—seven-and-a-half million people—are the second biggest buyers the United States have—a nation of one-hundred-and-five millions: we—a nation of seven-and-a-half millions—are the second biggest sellers to the British Empire.

We applaud those totals.

They are magnificent; but don't forget two facts:

Those totals are big because the dollar value is inflated to three times its normal value. If you want those totals in pre-war terms, divide them by three.

Secondly, no matter how big those totals are, they are only a fourth to a fifth the famished world demands.

One dislikes to bore readers with figures; but we want to build on facts.

Take wheat!

Take oil.

Take pulpwood.

Take coal.

Before the War, Europe's average demand for foreign wheat was 500,000,000 bushels a year. Of this demand, Canada supplied in good years over 200,000,000 bushels; in poor years, over 100,000,000 bushels. The deficit was made up by Russia, by India, by Argentina. Since the War, Russia is off the map for ten years. She cannot feed herself. She is starving; starving for the wheat Canada might be selling to her. In time of War, India is far away from Europe; and in the present conditions of industrial unrest no one can tell how long India can be depended on for a wheat surplus. While Argentina has been an enormous exporter of corn, she has seldom exported more than 100,000,000 to 200,000,000 bushels of wheat; and before the War much of that was going to the United States, because the United States were not raising enough for their own milling requirements. You will find the full report of wheat imports from Argentina in the U. S. Agricultural Statistics for 1908 to 1913; and if you want to know how far the biggest United States crop will go, figure six bushels per head for one-hundred-and-five million people, 100,000,000

bushels for seed, and see how much is in ordinary years left for export.

To be sure, Canada's crop will bring her at high and yet higher prices, perhaps an average of $300,000,000 a year, but if she could fill the whole world demand, it would bring her a billion dollars instead of $300,000,000; and leave her bank accounts bulging. Why is she not doing it?[1]

Or take oil!

The United States in 1919 were using 70,000,000 more barrels a year than they were producing. In 1920, they will be using 100,000,000 more barrels than they are producing. For that oil they will pay $200,000,000 to $300,000,000. There is no use discussing whether Canada has the oil or not. I have on my desk before me specimen oils from Alberta, of as high a basic fuel content as Mexico's, of as high a gasoline content as Pennsylvania's. Why is Canada's oil development not going ahead?[2]

Or take pulpwood!

In ten years there will not be a stick of pulpwood left East of the Mississippi. In fact, in ten years the paper mills of the Eastern States must either get their raw supplies of pulpwood from Canada, or move their mills to the Forest Reservations in the Rockies. Yet Canada is supplying only two-fifths the United States' yearly demand for pulpwood. Why is she not supplying the entire demand?

(1) It need hardly be explained here, the temporary slump in wheat prices is the result of adverse European exchange, not the result of an over-production of wheat. Europe cannot pay $4.86 for $3.60 worth of wheat.

(2) The panic of 1921 decreasing demands of oil for the summer of 1921 does not change the facts. Soon as motors resume their abnormal growth and output and use, the shortage is bound to be repeated.

Or take coal.

Alberta's lands are literally bulging with coal deposits; and this coal sells for bunkering purposes in South America, in Italy, in Sweden at $30 to $37 a ton; yet Alberta is producing barely enough coal for her own use, and next to none for export purposes. Why?[1]

Now approach your facts from another angle.

When I went to New York eighteen years ago, the population of the United States was about 90,000,000. To-day it is 105,000,000. New York's population was between three-and-four million. It is to-day between five-and-six millions. Canada's population was close on six millions. It is to-day seven-and-a-half millions. In other words, Canada's population increases one-and-a-half millions in the period the American population increases fifteen millions, and the population of New York alone two millions.

We may say it is better that Canada should develop slowly; but that is only camouflaging her own disappointment. It is better to develop slowly than not to develop at all, but it is only fooling ourselves not to recognize the fact that we are not developing fast enough to enter on the destiny that is opening before us like an open road.

We are not developing fast enough to satisfy the world's demands on us.

We are not developing fast enough to carry our War debts lightly without danger of breaking our backs with taxation.

We are not developing fast enough to carry our local burdens of taxation; and this applies to every centre

(1) Yet in 1921 more than half the coal mines of the West were shut down, or on half time. When the drought hit the crops of two provinces, coal orders fell off. Demand for coal was great as ever, but operators could not finance wages without orders.

from Winnipeg to Vancouver. If there were more burden-bearers, the burden would be lighter for each; and when you come to pay your tax bill, think along those lines.

There is no use condemning the tax system; and there is no use condemning the Government for assessing taxes to pay national and municipal bills. The Government in a self-governing country is you and I. The Government is ourselves. The Government is your representative; and Canada pays both her provincial and federal ministers less than a corset fitter on Fifth Avenue earns, less than a woman buyer of children's underwear on Sixth Avenue earns, less than a coal miner in Alberta mines earns, less than many a farm boy will clear on his wheat crop during 1920 in Manitoba and Saskatchewan and Alberta. Canada pays her representatives less than any one of them could earn in private life: and then throws the slime and the mud at them free. If Canada answers she pays them more than they are worth—as a cynic suggested to me—then I answer—the joke is at Canada's expense, for it is Canada they represent and it is Canada who elects them; a river never rises higher than its fountain spring; and the fountain spring of all representative government is the people—you and I, who cast the votes. Is it any wonder that two of the best leaders in Canadian public life—one a great Conservative, one a great Liberal—who did their duty all through the War, disregarding alike praise and blame—resigned as soon as the War was over and exchanged $7,000 a year positions as Cabinet leaders, for $40,000 a year posts as managers of private businesses—men without the

shadow of a charge of graft against their administration? I refer to the former premier of Quebec, and the former Minister of Finance in Canada.

Not thus do private corporations pick and pay their managers.

They pick the best, most experienced and efficient man money will buy. Then they pay them all they are worth, independent of race, complexion, creed, and they hold them responsible for putting business "over the top."

Canada is to-day doing a two-billion-a-year business. Her foreign trade is over two billion. Her War debts are over two billion.

Does Canada do the same for her public men as successful corporations do for their managers; or does she "winnow with every wind" and elect her managers on sectional, race, class cries?

Think it over and answer that question honestly.

While on the question of population, consider one more set of facts, not opinions, and ponder them deeply!

From the time of the Klondike-Yukon boom to the War, Canada received more than 1,300,000 American settlers through her ports of entry. In April of this year, 1920-21, only 450,000 American settlers were tabulated as remaining in Canada. What became of the other 800,000? Every settler is worth to Canada in work, or crops, in lumber, in minerals, at least $1,000 a year. Why did we lose 800,000 possible settlers, who came in and went out again, and were worth to the country at least $800,000,000 a year?

Take a quick retrospect of Canada's past history!

Quebec fell in 1759.

It was 1842—almost a hundred years—before Upper

and Lower Canada came to a working arrangement as to government—almost a hundred years wasted in National Progress, while factions sparred for petty advantages, forgetting, or not conscious, that Canada had not only her destiny but her duty as a nation.

Stalled for almost a hundred years, because the nation had not yet settled down to team work, or developed national consciousness!

Confederation came and almost thirty more years of stalling, while East rooted for East, and West rooted for West, and Quebec played anti-Ontario, and Ontario played anti-Quebec, and High Tariff shrieked it was the *only* salvation of the country, and Low Tariff shrieked it was the *only* salvation of the country, six different teams pulling in six different directions, and everybody wondering why the country didn't go ahead.

Then came the Yukon boom, which literally kicked Canada into prosperity, with such an overland rush of gold seekers as opened the Western States after 1848, followed by such land seekers as inundated the Western States after the Civil War.

This brings us down to our own time, when Canada has written her record in the War on the stars, when her fame has gone in a flame to the ends of the earth.

It is easy with a nation as with an individual to look back and see how mistakes were made in the past.

Canada didn't get down to team work quick enough. She sparred away and wasted almost a hundred-and-fifty years of national life—in sectional differences and race cries. She didn't develop a national consciousness of destiny as a nation soon enough.

Let that explanation stand! The tragedy is not in making a mistake. The tragedy is in not learning

wisdom from the mistake. Experience can be either a rear light, or a head light. If it is a rear light, it keeps the other fellow from bumping into your blunders. If it is a head light, it keeps you from bumping into the same blunders twice.

Canada has stalled in the past.

Is she going to stall again in the future?

Is she stalling now?

I answer—Canada cannot stall now if she wants to.

Canada to-day is like a great motor car drawing a heavily loaded truck to the top of a steep hill.

The load behind her is her War Debt.

If she stalls now, the load behind will send her to the bottom with a smash.

Canada has contracted War Debts at a currency inflated almost three times above normal.

Have you contemplated what it would mean to a man personally if he had to pay those War Debts with only a third his current earning power?

He would be in exactly the same position as a man buying a house on credit for $6,000 with a salary of $1,500. Suddenly the earning power drops to $500. The debt remains at $6,000. Where it would formerly have taken the buyer four years to pay his debt, it will now take him twelve years; and in those twelve years his house might decrease in value from $6,000 to $2,000; but the debt remains at $6,000.

Or a man has bought a farm at $100 an acre. Currency deflates two-thirds. His farm costs $100; but he might have to sell it under pressure for only $33. That happened to the land values of the Eastern States after

the Civil War; and those land values have not yet gone back to the value they had before the Civil War.[1]

There is little danger of that happening to Western Canadian land values for two reasons:

First, the era of free land accessible to transportation is gone forever in America's history. Land values in Western Canada are bound to increase as they have increased in the Western States from $60 and $75 an acre within ten years to $200 and $300 an acre.

Second, farm products are bound to bring high and higher prices for the next twenty years, no matter how much the dollar deflates, no matter how much temporary slumps and bumps jolt the calculations of the producer, for the simple reason there is not enough food being produced for the needs of the world. Neither is there enough gold, nor coal, nor oil, nor timber, nor pulpwood.

And Canada is literally bulging with all these sources of wealth, with a huge War Debt, which she has to pay, but unable to deliver more than one-third, one-fourth, or one-tenth of what the world needs and would pay the highest prices for.

Face the facts and don't evade them—What is the matter with us?

A Canadian may answer—How can we produce more wheat, more coal, more oil, more timber, more pulpwood, when there isn't a farm, or factory, a coal mine, a pulp mill in Canada to-day which has all the help it needs?

(1) The best example I know of this was in the drought areas of the West in 1921. When production fell off owing to crop failure, land values in those areas fell to $30, $2 and $1, with no buyers under foreclosed mortgage sales. While Canada cannot control the rains, she can control and retain her wheat producers by permitting them to remit homesteads in arid sections and take new homesteads in better sections not subject to drought. Arid lands in the United States are homesteaded in 320-acre blocks. Why not in Canada?

An outsider might come back to you with the counter question—

How do you expect to have full crews for farms, or mills, for mines or factories—if out of 1,300,000 American settlers you lose 800,000?

How do you expect to have full crews if one faction in Canada says, "We don't want American settlers?" and another faction says, "We don't want Italian labourers?" and another faction says, "We don't want foreigners?" while another says, "We don't want any people who haven't money?" And yet another puts up the sign on his shop—"No Englishman need apply." (This Canadian may have had experienec with English home-brewed agitators.)

How do you expect to get people with money, if one faction attacks Capital, and another faction attacks Labour? *Labour and Capital are in Canada one and the same thing.* The contractor of yesterday—the Manns, the McKenzies, the Van Hornes—are the capitalists of to-day; and the contractor of yesterday was the labourer of the day before yesterday. Each of these men—great powers in the railroad world—began life with manual toil at less than $1.50 a day. Canada is the last country on earth to tolerate the growth of class consciousness, of class hatred, in her democracy. Canada gave 400,000 of the flower of her Canadian youth, 60,000 of whom sleep in Flanders' Fields, 100,000 of whom are maimed for life—to defeat German autocracy in War. It would be a tragedy unspeakable, having helped to win the War, to be conquered in times of peace by the Karl Marx German theories of mobocracy, of class hatred, of class envy. *There is no capitalist in Canada who is not a labourer. There is no*

labourer in Canada who cannot be a capitalist, if he accumulates savings and pools them with other labourers' savings, for investment in establishing new railroads, new factories, new paper mills. Capital is not —as the Karl Marx school of thinkers would have us believe—an aggregate of gold filched away from labour and put in the strong boxes of Wall Street by modern robber barons. Capital is an aggregate of many small savings from labour. If I work eight hours and can just earn enough for my needs with no surplus over, I am a labourer. If I work sixteen hours, and save in a bank the surplus of eight extra hours, do I cease being a labourer? Am I cloven asunder by a chasm of hatred, the saving part of me hating the labouring part of me, the labouring part of me hating the saving part of me? I refuse to be so split apart by such fictitious lines of cleavage. So must Canada as a nation. Especially must Canada, because always the great preponderance of her population must be, not middlemen, but essential producers of something from nothing, creators of wealth, from farm, from timber limits, from the mines lying fallow in the earth. In Germany, an essentially industrial factory nation, conditions were different. Karl Marx had his facts; but Canada is not Germany. Her conditions are not Germany's conditions. Each man may become a vested righter by the labour of his own hands. His incentive is reward to him if he works, not to some man who does not work and sits on his shoulders as the royalists of Germany sat on the shoulders of their subjects; and *we should beware how we destroy that incentive to the Canadian worker, by adopting in peace German theories of class hatred which we defeated in war.*

Factional class cries have hurt Canada in the past. They must not be allowed to retard her in the present, or wreck the machinery of production just as the big national car with its motor load of War Debt reaches the crest of the hill.

It is immaterial whether such factions mask under the name of Capital or Labour, of East or West, of Catholic or Protestant, of Manufacturer or Farmer, of Loyalty or Anarchy.

Canada has just one job on hand for the next century; and that is to go over the top in time of Peace with the same glory and unified aim with which she went over the top in time of War.

It would be a tragedy if Canada lost in Peace what she gained in War; and she is in greater danger of that than she ever was of losing the War.

I suppose since I came back to revisit Canada in detail from Atlantic to Pacific, I was asked a dozen times what I thought of the Irish problem; and I have answered as I answer now—though there is not one drop of blood in me that is not Scotch-Irish-Welsh—that I considered the Irish problem is none of Canada's business.

Canada's business to-day is Canada—Canada first, Canada second, Canada third, Canada from first to last, from beginning to end and all through the middle—a unified Canada, with her eye on just one star—her national destiny, as one of the three great world democracies, Great Britain, the United States, Canada.

And then I have been asked with an air of truculence if that didn't imply disloyalty to the Empire.

Disloyalty to the Empire! After Canada's War Record?

The question is—to laugh!

What is the greatest service Canada can do the Empire to-day?

To increase her production.

To pay her War Debts.

To hold fast forever in bonds of eternal unity the three great democracies of the world against the onslaught of the subtlest foe that ever menaced democracy. There is no need to add that I refer to the anarchy which is to-day hurling three-quarters of all Europe over the edge of a precipice and seething like a volcano under the thin crust of civilization in Asia. As Archbishop Matheson replied most pithily to a questioner at the recent Lambeth Conference, when, as Primate of all Canada, he was asked by English bishops what he thought of the League of Nations, *"the two great Anglo-Saxon democracies must hang together now, or be hanged separately."* Nations that have not proved their fitness for self government by winning it and demonstrating it are arrayed against the great democracies in Asia and in Europe. United, they are safe. Divided, the very foundations of civilization—religious belief, personal liberty, personal possession, law, order, literature, art—are in peril. Half the world has been reduced to the verge of starvation by anarchistic experiments in untried theories that have failed of all promises and ended in the lawless tyranny of mobocracy. Of this, Russia, Austria, Mexico are examples that should be warnings.

If the three great democracies do not hold together now, in spite of a thousand factional voices paid to drive a wedge of hate through their friendship, it is "Good-bye, civilization." Roll up the map; and Canada's car

smashes to bottom in a financial wreckage from which she will not recover in a hundred years.

Why play into the hands of the enemy you defeated in War, by stirring up ill-feeling internationally by a policy of even pin pricks?

I asked a dear friend of mine, who was jibing at Americans, what she thought would happen if American bankers—of whom an enormous proportion are German —called the loans of the Allies from the United States.

She said they would never do that because it would bankrupt the world; and the bankers wanted their money too badly to do that.

I then asked her what she thought would happen if her policy of pin-pricks produced such a reaction from friendship South of the Boundary, that the United States might erect a high tariff wall against exports from England. Where would England sell her goods to pay her War Debts? What would happen to England?

She said she hadn't thought of that.

I said I thought it would be a first class thing to think about for the next twenty years.[1]

I suppose while I was in Canada I was asked a hundred times did I believe in the One Big Union.

Don't shiver. Brace yourselves! I wasn't even lady like. I was just plain woman and I broke into our rich Western vernacular. I answered—You bet I believe in One Big Union; but the One Big Union I believe in is the One Big Union of Capital and Labour, of East and West, of Imperialist and anti-Imperialist, the One Big Union of a unified Canada with her eye on only one Star

(1) She realizes that now, for cattle values in her own province have fallen from $100 to $3 a head on the mere prospect of a tariff against Canadian exports.

—her national destiny to hold in Peace that freedom which she gained in War.

Any One Big Union smaller than that was simply another of the old factional cries in another guise; and factional cries have been the hindrance in Canada's progress in the past.

I have been asked didn't I think we should eliminate "the profit system" in Canada; and I answered that question was couched in terms of Karl Marx and Germany, not in terms of Canada; and I can best illustrate the case by the examples of two men I met on farms near Lake Winnipeg late in July. One was an English agitator steeped in German theories. He said if the miners and the lumber men and the factory hands were not going to work more than eight hours a day and five days a week, he would be blowed—only he used a stronger term—if he would work more than eight hours a day to feed them; so he went to his fields at nine in the morning and watched the clock to come in at five in the afternoon; and as the late spring and early frosts and sunlight didn't work on an eight hour day—I am not quarrelling with the sunlight for this, I am just stating the fact—he got only enough crop in to feed his milk cows; and as his wife milked the cows and his youngsters delivered the milk at the creamery, he made just enough to keep his family alive, though I noticed all the younger children ran barefoot and the broken window panes were stuffed with paper. But he lived up to his theories. He had eliminated "profits" all right. Right over the barbed wire fence next door to that man was a Canadian boy, who didn't know anything about theories of "eliminating profits." He watched the sunlight and he watched the frost and he

hustled from four in the morning to nine at night to beat the weather, and he had over 200 acres in A1, waist high Marquis wheat, which promised to yield him 40 bushels to the acre. That boy told me he expected his crop in 1920 to pay off all his debts and yield him enough profit to build a house for his English bride. Now if you ask me do I think the man on one side of the barbed wire fence should be allowed to step over the wire and eliminate that boy's profit, or share them, I don't.

I don't hard! I would advise the boy to resist such a theory with a pitch-fork.

Again and again, I was asked "oughtn't we to nationalize this, or nationalize that?" and I have answered in the words of Mr. Roosevelt's famous guide. You remember—the Colonel was out hunting. They were fording a particularly bad mountain stream. The spray got in the Colonel's eyes exactly as a lot of yeasty half-baked theories are getting in our eyes now. He called out to the guide—"Say, old man, don't you think we *ought* to ford this stream a little higher up?" The guide yelled back over his shoulder—"Boss, we ain't dealing with *ought-tos* on this trip. We're dealing with *half-tos.*"

And that is exactly Canada's position to-day. Canada had taken the plunge; and she has to ford the financial stream, or get swamped.

As to nationalization, deal with facts, not theories! Nationalization of railroads cost the United States in two years two-and-a-half billion of a deficit. Is Canada prepared to put her hand in taxpayers' pockets and pay-wages and incomes to make up such a deficit? If so, go to it; but let her be sure she knows in terms of fact, not theory, exactly what she is undertaking to do.

And so I have just one message for Canada—

Down with factions that have stalled Canada's progress in the past!

Down with catch-cries out with promise of honey to catch the voting flies!

Down with every disruptive voice playing old tricks under a new guise!

Lack of unified aims has hindered Canada in the past. Let her experience be a head light to the open road, not a rear light over failure.

Canada has only one job for a century, and that is to build up in Peace what she has won in War—to go over the top to her destiny as one of the world's greatest democracies.

Comparative Statement of Population in Canada and the United States.

United States.		Canada.	
In 1800	5,000,000	In 1881	4,300,000
" 1810	7,000,000	" 1891	5,000,000
" 1820	9,600,000	" 1901	5,500,000
" 1830	12,800,000	" 1906	6,500,000
		" 1920	8,000,000

United States in	1840	17,000,000
" " "	1850	23,000,000
" " "	1860	31,000,000
" " "	1870	38,000,000
" " "	1880	50,000,000
" " "	1890	63,000,000
" " "	1900	85,000,000
" " "	1920	105,000,000

CHAPTER IV.

Is Canada Stalling To-Day?

When Canadians are in a pessimistic mood they will tell you—and it is true—how Canada wasted the first hundred years of her existence in national progress by Upper Canada scrapping with Lower Canada, instead of pulling together for unified ends. That was down to Confederation.

Team work implies pulling together in the same direction. After Confederation, Canada's team wasted more time by pulling in diametrically opposed directions, the manufacturers pulling in one direction with the East, the farmers in another with the West. Result —more stalling. And this futile tug-of-war was wasted effort in both directions—as I shall explain more fully later; for the difference in prices between the cost of implements North of the Boundary and South of the Boundary could have been obviated as it has been obviated by differences in cost to the farmer of Minnesota and Ohio, to the farmer of Dakota and New York. Here the wide spread in differences of costs owing to the longer haul by freights, on which wholesaler, jobber, retailer and travelling agent each had to add his profits —was minimized by many of the great American implement companies moving their plants to the very heart of the wheat country as in Minneapolis and St. Paul. Others continued to manufacture the steel sections in Chicago and farther south, but put their assembling

plants in the heart of the wheat country, which was really nearer to the lumber supplies of the West for the wooden sections needed, than the original plants; and the same thing must ultimately be done in Western Canada; but the fight between Eastern manufacturer and Western farmer was another line of cleavage used as a party cry in dozens of elections.

Then came the Klondike boom, followed by the land boom and inrush of immigrants and the building of new railroads and the uncovering of more mines in the Cobalt region. Freight returns quadrupled. Land values jumped a hundred and a thousand fold, with their usual attendants of land sharks working untold swindles. Fortunes were made in an hour, in a day. The sky seemed the only limit. Indian camps transformed themselves into towns, towns into cities, and cities into suburban subdivisions, which ran twenty miles out round prairie towns. The town site of modern Calgary was once swapped by a half-breed for a bag of missionary flour. Single lots in Calgary have since sold for $50,000, and $100,000; and acres, which were valued as cow pasture, have been subdivided and resold at $4,000 for quarter acre lots. All this would have been harmless if small investors had not been paying for those choice checker boards on the prairie by the instalment plan and perfectly sincere optimists had not insisted on paving those prairie roads for a future Fifth Avenue and mortgaging the future of young cities by so doing. All went merry as a marriage bell. The sky was to be the only limit. Lots from Montreal to Vancouver sold at the prices of lots on Broadway, New York, or La Salle Street, Chicago; and still the buyers came, when down

came the War out of a clear sky with another blow on the head of national progress.

Result—stall again!

So in the period when Canada's population went ahead from six million to seven-and-a-half million, New York City's population alone went ahead from three to five-and-a-half million—suburbs included. While Canada was gaining a million-and-a-half population, the United States was gaining twenty-two million. While the utmost limit any Western Canadian city reached in growth was 200,000—you could put your finger on a dozen Western American cities that jumped from a few thousands to 300,000 and 500,000 and 700,000: examples, Houston, Texas, Kansas City, Detroit, Seattle, Los Angeles.

"What's the matter with us?" asks the pessimist.

"We're all right," shouts the optimist with a positiveness to drown his own fears; which brings back the rejoinder from the pessimist—"Methinks thou dost protest too much."

That is one side of the story; but it is a truism that is almost platitudinous—which Emerson first expressed in his incomparable English—that while a sailing vessel may seem to be tacking from side to side against adverse winds, she is really going forward all the time. The difference between the sail and the engine propeller is that one has to waste time zig-zagging to go ahead. The other follows the shortest distance between two points, which is a straight line. Instead of stalling, I should prefer to say Canada has had to change too often from high gear to low gear, which is better for steep grades, but not so fast. And if you want to pursue the metaphor to the bitter end, men of vision and invention

have taught us how to fly over mountains, which we can neither tunnel, nor grade. They have taught us how to level obstacles by flying over them.

"Well," says your optimist, "why should we worry about going so fast? If you admit we are really going ahead all the time, why go so fast—like our neighbors to the South—that we get national indigestion by biting off, in the way of alien immigration, more than we can chew?"

That is all right for an excuse. It is also all right for an argument. The point is that neither an excuse, nor an argument, will pay bills and promissory notes and municipal bonds and railroad deficits and War Debts. Before the War, Canada had no need to care how slowly she went as long as she was steadily and surely going ahead; but now she is in another position. She has to go ahead, and go fast; or go—"broke" financially. She has to meet those municipal bonds issued to cover over-expansion of Western cities that expected to be, and will some day be, second Kansas Cities, Omahas, Houstons, Detroits; and with few exceptions she is meeting them. She has to meet those municipal bonds as they mature, or welsh on them, and damage her world credit for fifty years. With an increasing scale of railroad wages, she has to increase her railroad traffic, or be prepared to pay a deficit of not $47 millions but of $100 millions by increased taxation, and if any farmer wants to pay more for his implements, or capitalist more of a profit tax, or wage earner more of an income tax—I did not meet him once in all the length and breadth of Canada. There is no use saying —as I heard conscientious socialists from Abitibi in Ontario to O. B. U's. in Fort George say—"Let the

Government take over and nationalize everything and eliminate profits." The Government in a democracy is you and I. The Government is just simply the street worker, the mill hand, the railroad engineer, the store keeper, the house worker. The Government is Us; and it can no more ladle deficits out of the Treasury without increasing taxes to fill the Treasury than you can pay $2 out of your purse when you happen to have only $1 in it.

I met many O. B. U. and I. W. W. in Canada, who perfectly conscientiously advocated Canada taking over and nationalizing everything from railroads to oil wells and coal mines; but when I drew their attention to the fact that nationalizing had cost the American railroads during the two years of the War in the United States two-and-a-quarter billion dollars, which resulted in increased passenger rates of from $2.98 to $6.33 in 80 miles and of freight rates from $3 on a cow shipped for beef to $7, and from $1 a cord for wood to $5 and $6—all of which the consumer pays—they were not so sure how this theoretical soap-box remedy would work. Nor was this the entire story of the American experiment in "nationalizing" rails. The increase in freight and passenger rates had driven so much traffic to motors and trucks, from 26 to 33 rail systems at the time were not earning operating expenses. These roads could not reduce tariffs without reducing wages. Did the advocates of "nationalizing" want that? If they didn't, how did they purpose paying the deficits? Were they prepared to pay 67 to 87% of their daily wages in taxes to pay these deficits? Always at this stage the demand for nationalizing became a little hazy, vague and confused.

Nationalizing railroads, as the Dominion was forced to do with two systems during the War because no railroad could raise loans in money markets torn to tatters by the War, has already cost Canada a deficit of $47 millions; and nationalizing railroads cost the United States a deficit of $2 and a half billions in two years; and U. S. Liberty Bonds dropped to 84, where Canada's at time of writing were around 99 and 98 and par. Does anyone in Canada want that kind of a loan on his shoulders to filch 60 to 80% of incomes out of the wage earners' pockets to pay deficits in taxes? Yet I read one political leader's vague demand, "Why should we have poured $80 millions of public funds into the railroads to give them away?" We shouldn't; but now is not the time to say it. The time was ten years ago, when they were being extravagantly constructed. Having permitted that, the only thing to do was to take the rail systems over; and we have them now as an asset against that great expenditure; and it is fulminating into empty air to damn a government that salvaged the wreck for another party, which permitted the cause of the wreck some fifteen to twenty years ago, particularly when the fault finder belonged to the very party under which the wreck was caused. Indeed, if you go deep enough into the cause of that overspending, you will find it was largely owing to the terrific overhead expense caused by continuous I. W. W. strikes during the period of construction. Yet the I. W. W's. to-day are the loudest condemners of the financial embarrassment of the Canadian Transcontinentals.

It is all right theoretically to shout from the top of a soap box "Eliminate profits!" We are not dealing with

profits just at present. We are dealing with deficits that have to be paid; or if they are not, the banks will go "broke"; and if the banks go "broke" no more credit to the factories, to the farms, to the mills. A shut down, and such a panic as you have never dreamed in a nightmare!

Then in addition to municipal bonds and railway deficits, Canada has her War Debt with its huge interest. If she welshed on that, who would suffer? You and I, and every son and daughter of the land who fought to save freedom for the world.

The thing is inconceivable.

Canada is now at the point where she can't stall. She is like a great motor truck almost, but not quite, at the crest of the hill. If she slides down now, she will go awfully far and awfully hard; and it is a lot easier to slide down than to go over the top. There is apt to be a casualty list, also an ambulance on the site of such smashes. Have you ever considered when the panic of '93 hit the Eastern States, land values fell from $200 an acre to $50 and $15; and they have never to this day got back to former values, in spite of proximity to market and high prices for farm produce? Do you recall the days back in the late '80's and early '90's in Ontario, when land values slumped below the two-third value on which the trust and loans had advanced mortgages? Do you remember what happened to the trust and loans? Who was hit? Ask your father and mother! Ontario land values have not recovered the slump from that day to this. You can still buy Ontario farms at $50 an acre, which is half the price good land is now selling round prairie towns.

Then there is the War Debt which has to be paid.

To be sure our War Debt of $2 and one-third billions seems small compared with the United States' War Debt of $24 billions; but we are a population of seven and one-half millions compared with their one-hundred-and-five millions. In other words, our War Debt is over $300 per capita. Theirs is barely $200; and the point that one must never lose sight of is that the currency of the world to-day—coins, bills, credit—is inflated three times greater than the demands of trade; and the dollar to-day buys only a third what it used to. The dollar will gradually deflate back to its normal purchasing power; but we have to pay our inflated debts with a deflated dollar. It is like a man, who contracts a debt of $3,000 when his wages are $300 a month, counting on paying off his debts in a year, when suddenly his wages drop to $100—so does the cost of living drop in proportion—but he has to pay his $3,000 debt in the lowered values for labour and food. It means three years toil for that man instead of ten months.

That is why I say Canada is in the position where she can no longer stall.

She has to "go over the top," or "go broke."

But if you think Canada is "stalling," forget it!

It is the old simile of the sailing ship zig-zagging. You don't realize how fast she is careering ahead till she dips over the horizon.

I have been in Canada two or three times every year since the War began; but it is nine years since I went leisurely over Canada in detail as I have this year.

Ten years ago, North Bay was the jumping off place to the Great No Man's Land of the North. There was a railroad eating-house. If trains failed to connect, you

could get at a pinch a place where you were supposed to sleep. Round the railroad clustered the usual aggregate of raw, new, tar-papered shanties and clay-chinked log cabins. Round the railroad also hung the usual aggregate of ragged Indians with wild-haired urchins clothed mostly in their little brown skins, with shocks of tangled hair poking through old hats and little tubby "tummies" sagging over loose trouser belts. The squaws sat round in rags. The men hung disconsolately on the ragged edge of a hunting era that seemed to be passing and a civilized era that seemed never to be coming.

This year from North Bay to Prince Rupert, I did not see one ragged Indian, man, woman, or child.

"How do you explain it?" I asked a provincial constable, standing on the platform.

"The abolition of booze was the first great help," he answered. "High wages and abundant work are the explanation. Why, we are paying these Indian track workers a minimum wage of $5 a day, where they used to get $1 a day. Then you must remember the mission schools have been educating the Indians now for three generations; and it is beginning to tell."

This year from North Bay to Prince Rupert, I have not seen one raggeod, out-of-work, man, woman, or child, white or Indian. In July, I sat in an employment bureau run by the Province of Ontario for the re-establishment of returned soldiers in civilian life. Six thousand have already been placed in the Clay Belt. In the few moments I was there, at least a dozen young fellows came in for jobs. The greater number were the sons of Russian colonists, age about twenty, who had never earned as much as $1 a day in all their lives in

Russia. They were offered jobs at $5 to $6 a day in the mines of Sudbury. The most of the boys were not twenty four years of age. Half refused the jobs because they could make $7 to $15 cutting wood by the cord for the paper mills.

Since that time there has occurred what the press calls a great slump in the demand for labour. Unemployment has become a head line. I hold a letter from an Imperial Veteran telling me "returned men who fought to save the empire are walking the streets of the Pacific Coast cities starving," and expressing grave doubts that I could have had any male relative in the War when I cast slurs on these heroes into whose "very eyes the blood of the conflict spattered." The last inference is of a part with the propaganda again to split Canada up into factional cries and classes. I have not one male relative of military age in Canada, the United States and Great Britain, who did not serve on the firing line; and they served as volunteers, not drafted men. Nor did they come back to talk of "blood in their eye." Of one large family of boys, every son served on the firing line. As to "the returned men walking the streets starving," that phrase tells the whole story better than I could. If you will "walk the streets starving" rather than go out to prairie farms, lumber camp, mine, rail track—there are more workers needed than can be got —if they will, as they did in Montreal, rather than clean snow from the streets at over $3 a day—"walk the streets, starve and rot" they must. It is estimated at time of writing there are two million men out of work in the United States. Yet in the rural community in which I live, for a distance of 80 miles, you cannot get a stone mason to mend the wall of your cellar under $9

a day, a plumber to stop a leak under $8 a day, a carpenter to set up a fallen board fence under $7 a day. Dairy farmers have just been getting out their ice. They are paying boys of fourteen to hold horses, $4.50 for a 10 hour day. City people are paying $30 a cord for wood. Yet we cannot hire choppers of wood under $3 a cord; and owing to the high rail wages, a 16 cord load of wood to New York costs $64 in freight where it used to cost $16. Now I have no objection to stone masons getting $9 a day, carpenters getting $7, boys on the ice getting $4.50, choppers getting $3 a cord. Only the hard brutal fact will not down, I cannot pay those wages and get back enough returns from my sales to cover the costs; so what are the food producers forced to do? Lessen their production of food to exactly the amount their own families and year round men can produce till wages come down, and until wages do come down, the number of men "walking the streets starving" will increase. The point is they will have to get off the streets and go out where the jobs exist and take the wages which the sales of the produce bring in,—or see less food produced each year. And if any theorist sees any other way out of the blind alley, he should arise and proclaim it in definite figures to a breathless, anxious world. Only leave "the blood out of his eye." Heroes don't talk in that strain. I have 4,000 cords of wood I would gladly lay down in New York at $10 a cord for the consumer; but if I pay $3 a cord to chop, and $5 a day to the engine saw man, and $4.50 a day for the teams, and $6 and $4 a cord for the freight, even estimating the saw at 20 cords a day and the haulers at 5 cords a day to the car—

will you please estimate where I as the producer escape a deficit?[1]

Not one out-of-work ragged man, woman, or child in a country—that is the truest kind of prosperity. It may not show in the trade aggregates, though our Canadian trade aggregates are the best they have ever been. It may not show in municipal bonds hanging on the ragged edge of defalcation, nor in railway deficits giving us financial shivers down our spines; but it is the kind ot prosperity that seeps from surface to subsoil and irrigates the very roots of national well-being.

As for North Bay, the jumping off place to the Back of Beyond, it is no longer a cluster of shanties. It is a young city just aborning with paved streets and a population of 12,000, and good modern hotels, and a dozen new industries fed by five or six new railroads. There are the nickel and copper deposits to the West. There are gold and silver to the North. There are the Clay-Belt farms, knee deep in alsike and red clover to the North and West. There are timber areas clear down to James Bay, 200 miles. There are the pulp wood mills and timber limits and water powers now producing millions of dollars returns a year and capable in the near future of producing billions—always pre-supposing we get capital to put in the equipment, more hands to work the equipment, and make the One Big Union idea embrace not Labour **against** Capital, but Labour **in partnership** with Capital, a One Big Union of a Unified

(1) In spite of the great outcry about unemployment in Canada in the summer of 1921, a relative of mine on a large wheat farm had threshing stalled for a week because an engine man refused $5 a day and board instead of $6, saying: "The city kept me last year, and it can do the same this year." Another wheat-farming relative with an invalid wife could not get a woman to do housework under $4 a day, because she would not leave the city. Naturally such workers do go hungry in the cities, which they will not leave.

Canada, not a Canada split by the cleavage of class consciousness and hatred, which has no place in our democracy.

But Canada can not get more capital if she welshes inflated debts. She can no more get capital on those terms than a man can borrow $5,000 to build a house without giving security to the lenders. Capital isn't a soup-basin of indefinite money, which you can ladle out free to a hungry bread line. Capital is the aggregate of the savings of small depositors—your deposit and mine, which we have accumulated by working overtime and by spending less than we earned; and if the banks began ladling out that minus security, you and I would stop depositing and hide our savings in the family teapot, which would not build mills and equip factories and construct dams for water power.

And Canada can't build more mills to increase production, so currency won't deflate, unless she gets more workers; and that means immigration and yet more immigration, hands and yet more hands, workers and yet more workers.

And she can't get workers and yet more workers, if the Daughters of the Empire say—"We don't want Americans; we want only British." And the Imperial Veterans say—"We don't want Dagoes. We are not going to have foreigners take the work out of the hands of our returned soldiers and the bread out of the mouths of the native born." Both of which statements are lying camouflage; for I don't know a single industry in Canada to-day which could not use ten workers for one it can find, and that condition applies alike to railroad, to lumber mill, to industrial factory, to pulp factory, to building trades, to timber, to textiles, to farms, to

domestic help. While I was in Northern Ontario and Quebec, the railroads were paying track repairers, whose average age was twenty-two—Austrians and Indians chiefly—a minimum wage of $5 a day.[1] (It used to be $1.50.) The lumber mills were averaging $10 a day. (It used to be $3.) The settlers in the Clay Belt were selling cord wood on the spot at $7.50 a cord; delivered at the mills at $20 a cord. (They used to get 80c per cord, or $1.50 per day and board. A good man can cut two or three cords a day.) The pulp workers, whose average age for Canada runs at twenty-nine years, were getting 57c for unskilled, 87c to $1.37 an hour for skilled labour.[2] (The wage before the War ran 17c for unskilled, 49c to 59c for skilled.) Farmers were paying $70 to $100 a month and board. (It used to be $25 to $35.) As for domestic help, it didn't exist. Girls in the mill hotels were clearing $70 a month with board; and in one community of 3,000 people, not a private domestic could be got at $3 a day and board, with two half days off a week.[3]

Yet in Winnipeg, when it was noised about that one railroad was bringing in 20,000 Italian workers, a certain soldier association, led by an ex-convict from Kingston penitentiary, got a mob together, with the women in front to prevent the use of rapid fire guns, and spread the report that the incoming workers were Austrians; and in the community where the average age was twenty-nine and the average wage from 87c to $1.37 an hour, an O. B. U. spout got up and orated about "the

(1) In 1921 these wages were $4.20 to $4.50.

(2) And went on strike for four months against a reduction in wages, when, owing to the panic of 1921, paper prices fell to $80 a ton from $140 and $120.

(3) Even in the panic of 1921 domestic help could not be hired in the province at any price.

slavery and economic serfdom of the labouring classes." Such piffle is to laugh! It is not fact. It is not even polite fiction. It is poisonous gas to blind and set the world on fire in revolution.

At this very week in a mining community, not two hours from the hall where the O. B. U. was speaking, one mine was running at 110 men where it needed 1,100; another had 400 where it needed 2,200; and the wages ran from $7 up to $11 and $20 for overtime.[1] By the time the slump in export trade had slowed down the city factories in mid-winter and the desperately needed workers condescended to go out from "walking the city streets" to these mines, silver had fallen in price from $1.30 to 60c, and the miners were on the margin of bankruptcy. When the out-of-works then besieged the paper mills, low water supply over which neither capital nor labour can set any control of an 8 hour day had closed down about 75% of the mills for the winter months. If those same workers would have left the cities in summer, when water was high and logs could be floated to the mills, they could have cleared for six months from $12 to $20 a day; and the board in camp runs at exactly a dollar a day. Again the brutal fact, which like Lady MacBeth's "damned spot" will not "out"—should the public treasury be called on to support these men, who would not go out of the cities and get the work, when the work existed, and now demand to be kept, when the work does not exist?

These are the real questions, which not only Canada, but the whole world, is up against at the present

(1) The irony of this situation worked its own hard remedy. By 1921 price of metals had fallen to pre-war levels. The mines had to close down, and the men, who would not work in 1920 at $5 to $6 and board, had neither work nor board in 1921.

moment. If labour answers "Yes, they must be kept," then is labour itself willing to be assessed to keep them? No one is going to coerce labour into the answer to that question. Labour has to answer it; and neither labour nor capital is responsible for low water in Northern waters in mid-winter. The veriest clown in an ancient king's court could answer this question in only one way. Labour must work **with** capital, not against it, in the summer season, when the water is high. Then the low water season will take care of itself; but this does not make hot-air arguments, nor manufacture hot stuff, with which agitators set the world on fire in revolution.

I spoke of the transformation at North Bay. In fifteen minutes at North Bay, I counted forty motor cars pass the hotel balcony where I was sitting. Does that sound to you like a nation bankrupt? It doesn't to me. It sounds to me like a nation oozing with prosperity—turning corners financial, if I may so put it, at too fast a lick.

When I was last in Abitibi, it was to see a fur brigade. This time I found an ideal town set down in the heart of a wilderness, one hundred and eighty-six miles from James Bay. The town would do honor to a suburb of New York, or Montreal.

Ten years ago, you could count the settlers of the Clay Belt on one hand. To-day there is a farm community of 75,000 people.

The year I left Canada was the year the Galicians came in. We didn't like their cowhide boots to their waists. We didn't like their uncouth caps and coats and unshaven bearded men and sun-bonneted peasant women, with the dull resentment of centuries of oppression looking out from suspicious, absolutely joyless,

eyes. We particularly didn't like the way they at once took small-pox and threw their cowhide boots at the heads of mounted policemen, who tried to quarantine and fumigate them. I recall we warned Clifford Sifton —who happened to be the Minister of the Interior at the time—if that was the best he could do on immigration, we didn't want him to do any more. Fortunately, Clifford Sifton was deaf and didn't hear us and kept pouring immigrants in. Once before, we had grilled a Conservative Minister of the Interior before a Winnipeg audience for bringing in only 3,000 immigrants in one year; and the poor fellow asked us rather hopelessly from the platform—"Well, if they won't come, do you expect me to take them by the scruff of the neck and dump them in?" Clifford Sifton kept taking them by the scruff of the neck and dumping them in; and we kept objecting like the Scottish Covenanter, who when he was squelched by the moderator for "objecting," rose in his wrath and shouted—"A' might as weel be an Episco-lopian."

This year I motored through the Galician Settlements —row after row of little snowy cottages, white-washed inside and out, on long narrow strip farms each side with a river front like the farms of the habitants in Quebec. Cleaner, thriftier, more prosperous people I have never seen. The men and women had left off cowhide boots. A few women still wore sun bonnets; but the younger generation out at work in the fields had positively—I grieve to say—Panama hats and new clock-work silk hose. The older generation still had the old head gear. I heard a gramophone screeching rag-time from one white cabin. Oh, rest your souls, fellow Canadians, those Galicians were being inoculated with all our up-to-date extravagances all right! Next

time I come, I expect to see them in satin slippers with high razor-edge heels. Cheer ho! They are coming along as Canadians all right! But the fact is—estimating labour at worth $3 a day in production to the country, each of those Galicians is worth $1,000 a year to the nation in swelling its production to keep up with inflated money.

Then I remembered a scene the first year I was in Winnipeg as a child. The first big batch of Icelanders had come in. For some reason or other they could not use the Immigration Hall. I forget whether it had been burned, or was quarantined; but these Icelanders came in with little clothing but the scant apparel on their backs. They slept under the side walks. They rushed up tar papered shanties on vacant lots and wintered in them. They "bucked" wood for us at $1.50 a cord; and the women washed at $1 a day.[1] In spring they went out to their farms. This year what do I find? The most prosperous settlement in Manitoba is the Iceland settlement. Doctors, lawyers, members of parliament, Marathon runners—come from where? From Gimli—the Icelandic settlement. We have no better British subjects in the realm.

No, I am not afraid of the foreign-born as a settler. If rascally party heelers use them in their first ignorance of our laws and customs for job-lot corrupt voters, if English agitators lash them to restlessness and revolt with inflammatory lies—let us not crucify the foreign-born settler for the native-born sinner!

It is easy to make a goat out of a poor foreign settler who does not speak our language; but to make a

(1) If these workers had refused to work under $4 a day, which we could not afford to pay them, they, too, would have resembled the great unemployed of 1921.

I again visited these Galicians in 1921 and saw young girls out hoeing potatoes in razor-high Paris heeled slippers!

scape-goat out of him for our sins, whether of politics or lazy indifference—is a crime. If we get after the beam in our own eye, we will not have time to be plucking at the mote in his. We don't want settlers of the satin-slipper, kid-glove sort. We want honest-to-God, hardy hands of toil.

I find it is the fashion in Canada just now to take a slam at the National Railroads. Perhaps we do it just to keep our kicking apparatus in good form. Anyway, we do it. We are sore at the Nationals. They have cost us a lot of money; and they stand to cost us a lot more in deficits; but the trouble is—we are kicking at the wrong time. We should have kicked when they were being built. I visited the construction camps when the I.W.W. strikes were on in the mountains, and predicted just what has happened—that with the high cost of overhead in construction, Canada was going to be up against the problem of making good the bonds guaranteed; for no traffic receipts could. No use giving these old figures now; but prairie sections were costing $30,000 a mile that ought to have cost $8,000; and mountain sections were costing $100,000 a mile that ought to have cost $30,000; and I was told—and I think the words of one critic were—that I was "a crazy fool" for so writing. I was asked—"What did a woman know about it anyway?" and I answered with that rebuked humility due to my status that "women would know a whole lot about it when they came to pay the increased cost of living owing to increased freights."

But the point is—Canada should have done her kicking then. To kick now is to hurt her shins. What Canada has to do now is to shoulder that deficit. I was told that the roadbed of the Nationals was so bad that

if I travelled by them, I should be sea-sick, I should have vertigo, I should be saddle sore, I should suffer spring-halt and acute spavin and toothache in my back bone. With that encouragement, I have covered every mile of the Nationals and Grand Trunk from Cochrane to the Pacific, and as if that were not enough, back up from Kamloops along the Fraser and Thompson to the Nationals; and what have I fouund? Better service and more comfort than on the old standard lines I will go farther. Better service and more comfort than on any transcontinental in America except three. Those are the Pennsylvania, the Sante Fe, and the C.P.R.; and it would be folly to compare our new Nationals to them; but if you will please look up the history of those peerless roads when they were nine years old, you will find they had their growing pains, too—when both their roadbeds and finances rocked.

I am perfectly aware roadbeds were paralleled where they should not have been paralleled. Two bridges were built where one would have served, as at Evansburg and Erstwhistle; and many curves and grades do greater credit to the contractors' profits than the surveyors' judgment, as along the Skeena; but these are things on which we should have kicked nine years ago, not now. As a matter of fact, not theory, there is not a great transcontinental in all America that has not after a few years try-out had to change and improve its grades. The C.P.R. tunnelled Mt. Stephen at a cost of millions to beat snow slides and steep grades. The Santa Fe has changed many a curve into a straight line, when it found how it could beat the flood tides of unruly arroyos during the rainy season; and the Pennsylvania spends as much each year improving its track

bed as on new equipment. It is obviously unfair to compare Canada's new Nationals, kicked in the solar plexus by the War, with fine old solid systems that had their finances on solid rock bottom thirty years before the War.

What Canada has to do now is—Solve those deficits; and they can only be solved in one of four ways.

(1) Pay them out of pockets with increased taxation. We don't like that. We are a little vague on nationalizing policies just there.

(2) Increased freights. Farmers up in arms and cost of living given another jack up. We like that less.

(3) Make a present of the whole muddled mess to the C.P.R. for those rail wizards to untangle. Not after all we have spent, even if the C.P.R. would take the present. People don't like other people's babies left on their door steps.

(4) Increase the traffic so the deficit will be converted into a surplus, as it has been on the Santa Fe, on the Southern Pacific, on the Union Pacific, on the Burlington.

Can that be done?

Facts are good things to go by right now; and I can set down some facts which point that way, just as certainly as facts guided the Santa Fe, the C.P.R., the Pennsylvania on their road to prosperity.

CHAPTER V

Converting the National Parks into a National Asset. The Value of Switzerland and the Lake Regions of Italy to European Nations in American Tourist Traffic

I spoke of Canada taking a chronic kick at the National Rails. Unfortunately, a kick will not pay deficits. Canada should have kicked ten years ago, when the mistakes were made. She didn't kick then, though the Nationals were launched by the Laurier Government, completed by the Borden Government, and carried on by the Union War Government. What we need now is "a lifting kick," to lift the deficit, not more blundering to increase the burden of the tax payer.

The deficit can be met in one of four ways:

(1) By increasing freight charges—the easiest way.

There are four cardinal objections to this for Canada, independent of what increased freights the American trunk lines adopt.

The first is it will increase the cost of implements to the Western farmer; and the cost of implements to the Western Canadian farmer is already from 50 to 60% higher than the same implements cost the Eastern American farmer South of the Boundary. These figures could be given. This is a story by itself. I shall give it very fully later with the exact figures; for when this figure appeared in a magazine, it was branded as "false, misleading and untrue." Later, the very

figures submitted by the manufacturer proved the statement; and it doesn't get either a nation, or an individual, anywhere to run into full-head-on collision with facts. It splits manufacturer and farmer wider and wider apart. Whereas, their interests are identical. The more prosperous the farmers are, the more implements they will buy. The more prosperous the farmers are, the more farmers there will be. Every farmer who fails is a customer lost to the implement maker; and he is a compound loss, for he has to renew his equipment every five years.

The second is that increased freights will increase the High Cost of Living to the consumer, which means a demand for increased wages and more pyramiding which presages a harder smash. There is also the additional appalling fact. Rates have their dead line. Shove them so high, the consumer does not buy and the shipper cannot make profit in selling. To-day, after a 300% increase in freight in seven years, the rails of the United States are at the point of petitioning for lower rates because travel on one line has fallen off two-thirds, and freight on another line has fallen off one-third, and 30 railroads are not paying operating expenses.

The third objection is if you grant increased freights to the National Rails, you must permit the same increases to the C.P.R., which does not need them; and not to permit that increase to the C.P.R. is to penalize the efficiency in management of one of the three best managed railroads in the world.

The fourth objection to increasing freights on the Canadian Nationals is that you practically decrease traffic. The grade on the Canadian Nationals is the lowest across the mountains in America, which means

that fewer engines and less engine power and fewer train crews can handle heavier loads than anywhere across the Divide in America, three times as many cars with one engine as in other Rocky Mountain grades in America; and in a few years when the water powers across the mountains along the Nationals are utilized, this cost can be reduced enormously—hydro-electric engineers assure me the motive engine power costs on our Nationals can be reduced by half. This I do know, that the substitution of oil on the Southern Pacific and on the roalroads of Mexico reduced operating expenses by from half to two-thirds; and hydro-power on our Nationals in the mountains, where lines of transmission would be short—from twenty to one hundred miles—would be cheaper than oil. It is only a matter of a few years, when the opening of low grade ore mines—gold, galena, copper—between the Peace and the Liard, say from Mount Selwyn to Prince Rupert, will provide enormous bulk traffic for any Northern road. Between Edmonton and Prince Rupert are enormous coal deposits—in the Pembina region of lignite, at the head waters of the Pembina of bituminous, on Bear Creek of anthracite "equal to the best admiralty coal of Wales"—I quote the British Columbia Geological Report—which within ten years will pour out a stream of bulk traffic. Already from Edmonton to Prince George, lumber is being shipped at freight of $21 plus a thousand as fast as it can be produced straight through to points in New York and Pennsylvania and other Eastern States. And in these States prices have increased from $29 and $42 per thousand before the War to $75 and $120; and even at such prices the Eastern demand is insatiable. We are assured by lumber trade journals that "the price of

lumber is softening." If so, it is not softening to the retail buyer and the consumer in the Eastern States, where I reside. British Columbia alone could deluge those States with lumber at $25 for rough to $38 for fine f.o.b., and make royal profits on every foot so sold. Even with wages from Edmonton to Fort George running from $5 to $15 a day, with proximity to water front where skidding costs are low, the lumber men can produce rough stuff at a cost of $10 to $11 a thousand. They sell that lumber at $35 a thousand f.o.b., and they have a stand of timber to supply the demand for forty years.

If freights are increased in Canada, traffic is diverted to the American lines South of the Boundary and builds up American terminals South of the Boundary instead of building up such Canadian centres as Prince Rupert, Prince George and Edmonton. Certain American terminals have increased in population by the hundreds of thousands, where Canadian terminals have increased only by the five and ten thousands; and now is the time Canada needs most to benefit to the fullest extent by the development of her own resources. If oil is found in the North, if potash exists on the Liard to exceed Germany's—of which the United States buys hundreds of millions dollars worth a year—what cities are going to benefit most by the bulk freight from these resources? The cities offering the best shortest rail rates and nearest terminals.

So dismiss the payment of rail deficits on our Nationals by increasing freights indefinitely as deficits pile up. It is a possibility but it is not a wise one. It is penny wise and dollar foolish.[1]

(1) The railways of the continent are to-day asking for a reduction in freights because high freights have killed traffic.

Now comes the second way to pay rail deficits—Increased Taxation.

That is a possibility, especially on the profiteers; and it is a favorite remedy to the farmer; but who are the profiteers? If you tax the difference in the price of lumber before the War and now, are you also going to tax the difference in the price of wheat before and after the War? Are you going to tax the difference in wages before and after the War? If you tax capital 67 and 87% excess profits, are you going to tax incomes in the same proportion? Rail wages, steel wages paper workers' wages have increased 300% during the War. Are these workers willing to pay over 87% of their 300% increase, if capital does the same; and not to tax all alike is to end in a helpless snarl. I don't see a way out by increased taxation, either for the United States, or Canada, though the suggestion sounds good on Opposition platforms.

Then comes a third suggestion to make a present of the Nationals to the C.P.R. Do you hear the howl of protest after all Canada has spent on the Nationals? I should like to see the party in power that would dare to father the suggestion and back it. Besides, would the C.P.R. accept the present? It has leased the Dunvegan Line to Peace River, but please note—it has **leased** the line, not bought it. It might lease the lines that do not parallel its own; but why should it lease the parallels and run them at a loss? Remember 83% of C.P.R. stock is held to-day by American and British shareholders. Do you think they would ratify that kind of a bargain? That suggestion, too, seems chimerical.

There is the last remedy—to Increase Traffic.

Can that be done?

The non-pay sections of the Canadian Nationals are—

(1) The hinterlands of Ontario and Quebec;

(2) The mountain sections of the Rockies.

Examine these two sections!

The Clay Belt to-day has a population of 75,000. If it had a population of 750,000, the deficits would be solved. It has been most carefully computed by the C.P.R. statisticians that each settler with a clear going farm of 320 acres contributes $750 in traffic a year to the railroad serving him; so that if the 75,000 settlers in the Clay Belt each had 320 acres of a going concern, the deficit of her $47 millions would be wiped out now; but of the 75,000 people in the Clay Belt, at least 30,000—Cobalt, Hailebury, Iroquois Falls, Cochrane—are town dwellers; and of the 45,000 on land, count out 30,000 timber cruisers, women and children; and of the 15,000 left, few have more than 30 to 40 acres cleared and going. And so you come back like Omar, the tent maker, where "in you went"—to the beginning and end of the solution for Canada to-day, settlers and yet more settlers, hands and yet more hands, work and yet more work. Given plenty of hands for the work to be done, and the Clay Belt alone to-day could clean off the deficit on the Nationals.

Take but one industry of the Clay Belt—pulpwood! The United States yearly uses two million tons of newsprint. Of this Canada supplies from a fourth to two-fifths, on which the average freight to the American destination is $10 to $11 a ton from Eastern points, $21 a ton from the Pacific to the Atlantic. Within ten years, there will not be a stick of pulp wood left unused East of the Mississippi in the United States. The newsprint people of the United States must move their plants to the

American National Forests of the Rockies, or the newsprint buyers must get supplies from Canada and Sweden and Germany. Supposing Canada could supply the whole two million tons of newsprint yearly used in the United States. Newsprint is not a fourth of the paper supplies needed in the United States; there is the magazine paper, there is the book paper, there is the box paper, the card board, the writing paper, the wrappers, the tissue. Could Canada supply four million tons, the freight traffic to the Boundary alone would wipe out the deficit on her Nationals.

Well, why can't she?

She has the timber limits in Ontario and Quebec for a good twenty-five to forty years. She has the hydro-power to run her mills. Why can't she increase her shipments of paper and pulp and sulphite enough to wipe out the rail deficits on her Nationals?

She can't because she has not the man-power; so back you are where "in you went"—more workers, more hands, more output.

By this time if you do not see that Canada can have only one National Policy for the next forty years, it is because you are wearing blinders, or are blind to facts.

What that National Policy must be, I don't need to say.

Gone are the old days of Tory and Grit, of Orange and Ultramontane, of East and West, of Protection and Free Trade.

If we look backward at those old issues instead of forward to a New Day and a New Nation, we may as well save time by petitioning the bankruptcy court to take over National Affairs right now. If we look back-

ward now, we shall fall over our own feet and like the blind fall into the ditch of bankruptcy.

What is the New National Policy?

Immigration, then Colonization to keep colonists after Canada gets them, which she is not doing now.

Come now to the second non-pay section of the Canada Nationals—the Rocky Mountains, where line parallels line, and two bridges were built where one would do, and local traffic does not justify more than two and three trains a week, and rails have been pulled up for 200 miles from track beds laid at a cost of from $30,000 to $100,000 a mile.

The errors here are a thing to make the god of railroads weep, or storm; but the errors are now nine years old. The thing now is to turn a loss into an asset and transform a fall into "a lifting kick," though the point of contact may be a bit sore.

Buck up and let us see what we have to work on!

A party of us had driven from Jasper out to the foot of the trail leading up to Edith Cavell. We stopped to lunch at one of the picturesque rest cabins constructed under Colonel Rogers, one of the best park administrators in America. We were the usual tourist sort—one from New York, one from pretty much everywhere, two from Jasper, one from a Middle Western city. We were each and all lovers of mountains. We were all lovers of wild life. Two were hunters of big game. All but one were lovers of fishing. I happened to be the odd one there. I dream too much in beautiful mountain lakes to watch my line. Give me my solitary dreams, and the other fellow can have the fish, though they weigh six pounds and "don't get away," which I notice the big fish always do.

Without giving the others a moment to calculate, I put up a guess to the crowd.

"In actual cash spent, what do you think the American tourist yearly spent in Europe before the War, from the time he bought a ticket in New York, landed at Havre, passed through Paris, did the circuit of Switzerland, came out by the Italian lakes and landed back in New York? Quick now! Don't stop to figure."

The guesses ran all the way from $2 millions to $6 millions.

Before you read a line more, put your own guess down! You will get the surprise of your life.

Nine years ago, I computed these figures with a passenger traffic association in the United States and the two steamship lines that carried 90% of the American tourist traffic.

Have you your guess down?

Well, then, here are the figures!

During the poorest years, the American tourist traffic was worth $200 millions to Europe. In the best years, when money was flush, the tourist traffic was worth $300 millions to Europe.

Makes you gasp, doesn't it?

Granted that $200 million was spent on clothes and junkets and semi-business and pleasure combined, you still have $100 million of pure traffic spending, rail fares, eats, lodgings, guides, hotel holidaying.

Half that amount spent in Canada's National Parks would pay her National Rail deficits.

Yet the most prosperous tourist years Canada has ever known only yielded $15 million tourist receipts in all her National Parks; and her National Parks exceed in area and surpass in beauty Norway's fiords, Switzer-

land's peaks, Italy's lakes, Russia's big game, Germany's health springs.[1] Only in European countries, playgrounds are treated nationally as a nation's assets. In Canada, we still have the bucolic, I almost said the bovine, point of view—that playgrounds are a superfluous luxury, a sort of rich man's stamping ground—"dang him, let him pay the piper out of his own pocket."

Canada's Buffalo Park at Wainwright is one of the most beautiful game resorts I have ever seen. The days I spent there I shall count the most perfect days I have ever spent in my life. Picture sunlight so clear it sparkled in diamonds, air so pure you felt as if you had filled your lungs with Ponce de Peon's elixir of life, lakes in the gray ravines like bits of the blue sky, young elk sporting a growth of new velvet antlers vain as a flock of peacocks, holding their heads proudly aloof in the air, vain of the newly acquired adornment as a thirteen year old girl in her first really fine gown, with dainty feet hardly touching ground as they whiffed our presence and trotted off to windward of intruders. Picture long lines of shaggy buffalo monsters—5,000 of them there are now, with 1,100 calves—pawing up the sod to take a dust bath, sleek, shining fat, proud of their strength and untamed majesty—monarchs of an age gone forever. Slay them, we could; conquer them, never; and they know it. If you meet them on the trail to-day, they will not molest you; but *you* have to get off the trail and give them right of way. I like them for that. They stand for the forever unconquerable, and in that belong to Canada's coat of arms. Then, there are yak. There are moose. There are deer. There are cattalos—crosses between buffalo and cattle, poor

(1) This is purely Park traffic, not general tourist.

pathetic big lumbering creatures with the heads of hereford bullocks and the bodies of buffaloes, neither good beef, nor good game. I'm not keen on the cattalo. They are cross-breeds, and cross-breeds don't do much in life for humans, or animals.

About 6,000 people a year stop off to see the buffalo at Wainwright. Ten times as many would stop if they knew there was a Buffalo Park; but there isn't even a sign at the station saying—"Get off and see the buffalo."[1] There is no hotel accommodation for those who do stop off, except the two small village inns, which cater to the village needs. The buffalo are not parked near enough the railroad for passing tourists to see them and spread their fame. You have to scurry for an auto to drive out. Then the auto has to scurry through the park to find the buffalo between trains; and the tourist who stops may find them, or he may not. I venture to say if the fame of Buffalo Park were known, and Park line autos ran tourists at 5 to 10 a car load, the Park's receipts alone would be a million, let alone returns to rail traffic and rail chalet hotels run for tourists.

When I come to write of Jasper Park, I feel as I felt when I first began to camp in the National Parks from Banff to Glacier, or to go to Grand Canyon and the Navaho Desert. The thing is so exquisitely beautiful and so vast, you are simply dumb. First, the majesty stuns you. Then the beauty steals in on you, like the dawn of a great love, with cords round your heart, and a tightening in your throat, and thoughts too deep for tears. Then you know the mountains have accepted you, and taken you into their sanctuary, and you will

(2) A sign was put up in 1921 and a stuffed buffalo mounted at the station to attract attention.

never escape their haunting memory, and will go out from them purified in body and soul. There will haunt you recollections of jewelled emerald lakes with replicas of clouds and forested slopes and snowy peaks; the song of the wind in the night pines; the shouting of dis-imprisoned waters when the mid-day sun sets the snow torrents racing in blue and white and rainbow spray; the thunder of the peaks back and forward—and height calling to height—when the storm breaks.

How many people yearly go to Jasper Park, I don't know; not more than 10,000; but I do know, for one who gets off the train, fifty have to step back on the train; for there is neither hotel nor tent accommodation for them. Two tent cities there are, accommodating at most, perhaps, fifty people.[1] There ought to be daily accommodation for 1,000 people; and that means more than 1,000 rooms; for many people who now stay a day, would stay weeks if they could. Jasper Park should be a playground for 50,000 people a year. It should be more than a summer playground. On the borders of Jasper Park is the best big game hunting preserve of America, a resort that would draw thousands of winter sportsmen if it were known. I saw one salt lick, where goat and sheep gather in herds of seventy to one hundred; and if you have compunctions about hunting goat and sheep outside park limits—which I haven't, though I never shoot game myself; but I realize no wild animal dies a natural death—each is torn to pieces by beasts of prey as its strength wanes—but if you have such compunctions, spend your zeal on the black bear, who cleaned out our cook tent six nights out of seven, or the cinnamon and grizzly, or the timber wolves and

(1) Only one tent city in 1921.

cougar, that prey on every creature weaker than themselves and destroy more game by bloody ravening teeth and claw than man does by rifle or gun. Jasper Park could be a summer playground and a winter jumping off place for the big game hunt. Game may not be hunted in park limits.

But all this does not exhaust Jasper's possibilities to pay off the deficit of the National Rails with foreign money, not by a long, long shot.

I have spoken of the criminal waste of paralleling the G.T.P. and the Canadian Northern through the mountain sections. From Yellowhead Pass two hundred miles West through the finest scenery of the mountains, the two lines have been paralleled. To-day only one line of this section has been used. The rails were pulled up from the other and shipped East to go to Europe, where they were never sent; for the War stopped. It would be folly now to replace those rails. The present intention is, I understand, to use whichever track has the best grade, the best bridges, the safest and most solid road bed; and that is a wise policy for the next thirty years.

What can be done with the other roadbed? After spending from $30,000 to $100,000 a mile grading, to let the ties rot. Not thus do private corporations salvage loss and convert loss into an asset.

In some places it would cost only $100, in other places less than $1,000 a mile, to convert the abandoned roadbed into the most beautiful motor road through mountain scenery in the world. Rest cabins costing only $100 each at intervals of fifty miles would let the car tourist provide his own hotel accommodation; and

I venture to say a toll of $10 a car would not hinder 50,000 cars a year traversing such a scenic road. Through private initiative, such a system has made much of the most beautiful sections of the American Desert accessible to tourists; and with such a concession, I would ask no easier way to make big money for the rest of my life.

Suppose next, such a motor road connected down with the present motor circuit from Banff to Glacier and Windermere. Canada would then have something in National Parks, which the whole world cannot boast. She would have something to lure a third of those three-hundred millions of American dollars going to Europe up to Canada.[1]

Another point about Canada's National Railways: The deficit is going to cost $47 to $70 million a year; for track beds must be improved at once. If the Nationals had been given a ten year loan of $50 millions to put on steamers for Alaska and the Orient, and so get that transcontinental traffic, they could have taken care of their own deficit and paid all the interest on their bonds. Oriental and Alaskan traffic follow the railroads which have steamship connections. Or if we were shipping $500 millions of pulp paper to the United States overland from British Columbia, the freight on that would pay twice the rail deficits.

Do you see how the two non-pay sections of our National rails could be made to pay their own deficits? Do you see what I was dreaming, while the others talked "trout"?

(1) Alberta took this movement up in 1921, and there is now every prospect there will be such a motor road, also a Jasper Park Hotel.

Sordid—was it?

Not as I see it.

Nothing is sordid that pays your national debts and sends 50,000 people a year back to the strain of modern life, stronger of body, cleaner of soul, dreaming of the clear air in the pines, and the emerald-hued lakes, and the peaks opalescent and majestic as our own hopes for Canada's destiny.

CHAPTER VI.

How Canada Does Not Get One-Fourth The Profits From Her Natural Resources, And Why. A Chance For a National Co-Operative Sales Agency In Every City In The United States And Great Britain.

If Canada were to-day getting the entire profits from the development of her national resources, she could pay off her War Debt of $2 billions in a year; and without any increase of taxation to the consumer in higher freights, or to capital in heavier imposts.

This is a large statement; but I am going to prove it; and if I don't prove it, pass along the facts to correct me; but check up a lot of opinions and grouches and kicks, which never get you anywhere unless they are "lifting kicks." Never kick, unless it is a "lifting kick." Find out what is wrong, and put it right. American sharpers are not putting anything over on us. It is because we are so inert, that they are doing what we ought to be doing for ourselves; and they deserve all the profit they are getting out of it. They are simply "cashing in" on our stupidity. We are so busy playing small politics that we are not foreseeing and grasping unified national aims.

Now for the facts!

I have referred to pulp wood and print paper. Where Canada is selling these products at $90 to $110 f.o.b., these very Canadiai products are being resold in the

United States at $220 to $360 and $380. Now the last figures are a gouger's price; but the $220 isn't, especially in view of the impending famine in print paper. Germany's inferior soft print papers are selling in the United States at $140 a ton. If Canada were selling her output of print paper at $220, her annual sales of pulp and paper to the United States would now total $200 millions instead of $80 to $100 millions; and in a few years, when her output has been doubled by new machinery being installed, her output would easily be worth $400 millions, which is more than her most valuable wheat crop.

No matter how bad a panic hits the world, no matter how advertising falls off in the great "dailies," no matter how supply catches up with demand, a nation with $9 billions owing to it in gold by Europe and a population growing at the rate of 21,000,000 people in twenty years, is not going to remain in the trough of the panic-wave long.[1] The United States will come up out of the War slump with that bounce which has heaved her out of every panic in which she has plunged from '71 to '93. The American mills will have no pulp wood left East of the Mississippi after ten years. They will have to move their plants to the Forest Reserves in the Rockies; and they are not going to do that during the panic year. When her finances come up out of the War slump, her paper demands are going to be greater than ever; and if Canada is ready to fill these paper demands, she will take in more yearly than all the gold production of all the world for a year. The gold production of the world

(1) When the hard times of 1921 came, advertising fell off about 66%, and paper demands fell off in consequence. The price dropped to $80. It may even drop lower; but the fact remains, when demands resume normal in the United States, Canada is in a position to supply only two-fifths of the demands.

runs at from $380 millions to $410 millions a year. Her forests will become to her that Golden Thread, of which the great divine, Norman McLeod, wrote a child's fairy story, when a golden strand put in the hands of Youth led the boy through wildness woods to Paradise.

Am I wrong? If I am, vhere?

Or take the matter of just common rough timber exported from Canada. It is being put on the cars of the interior in British Columbia just now at $35 a thousand. It cost $10 to $11 to produce there, with the highest scale of wages ever paid to loggers, lumber man, saw mill hands, from $5 a day and board, to $8 and $10 and $11. The freight from interior points to New York and Pennsylvania is $21 plus. Now I happen to have been building a good deal in the East for the last four years; and it always gave me a feeling of pleasure to see that the lumber I bought in New York came from Northern British Columbia. That is—it gave me a feeling of pleasure till I got the bill, when I quit building. In fact, 500,000 other people in New York State quit building. At least, that is the number of people estimated for New York City alone who have moved out of New York because there is not adequate housing for them; and I think the figures are in proportion for every great industrial centre in the Eastern States. Building has simply not kept up with population. Building is not at a stop; but the overhead cost is so high, no one builds just now who is not compelled. Before the War, I used to pay for British Columbia lumber from $32 to $42 a thousand; and the $42 made me squeal. Since the War, that same lumber costs from $72 to $120 a thousand. Yet considering freight and f.o.b. costs, Canada is only getting out of that lumber $21 plus $35. Who gets the

difference? Dealers, middlemen, brokers. I remember saying this once before in an American magazine; and the retailers' ring wrote the editors I had done no building, my figures were wrong and I was "a fakir." I sent them my lumber bill and they didn't answer. A later public investigation, which fizzled out, substantiated the figures. If the lumber were sold at only $10 more than freight and f.o.b. costs, there would be twice as great a demand for lumber; for the builders could afford to go on and build; and on the number of board feet cut in British Columbia alone in 1919—which are the latest figures available—2 billion feet—the increased profit to Canada would be $20 millions over what she is getting for one province's output alone.[1]

"We could afford to sell all the lumber New York and Pennsylvania want at $45 delivered freight prepaid, and could make fortunes doing it," said a mill owner of Prince George to me.

"Yet I was paying $72 to $120," I interjected. "Why don't you establish a co-operative Canadian sales agency?" I asked him.

"Well," he answered, "I suppose because away out here, with our noses to the eternal grind-stone, we don't know what is going on with the lumber after it leaves us. Because we are so desperately in need of money, we have to have bills of lading to draw on at the banks for the weekly wages. We should have to have the money to prepay the freight. We should have to have an agent on the spot to get the orders direct from the consumer in car lots and avoid delay and demurrage—"

(1) Again the irony of facts. Though prices in Canada fell to $12 and $18 and $22 in 1921, some 500,000 people in New York had to move from the city because they could not afford to build owing to the high cost of lumber supplies. And half the mills of Canada were closed owing to lack of demand for lumber.

"All of which the Citrus Growers' Co-operative Union of California did to save their orange groves from ruin," I interjected. "They paid their co-operative sales managers from $25,000 to $5,000 a year; but when that was charged back against the profits on cases of oranges that sold at from $4 to $7, it did not exceed ½ to 1c a box."

"Well, I suppose," he answered, "we just haven't because we just haven't. We have our noses so eternally close to the grind-stone to raise money for operations that we don't see our way financially to expand."

I heard of a still more striking and typical case of fine grade lumber—one million feet of it ordered from the Queen Charlotte Islands. A broker in Calgary bought it—a travelling American. He hadn't directed where it was to be shipped. Calgary first. He sold it in Calgary to a broker in Vancouver. Before it was loaded, the broker in Vancouver sold it to a broker in Minneapolis. While it was being loaded, the broker in Minneapolis sold it to England; and the broker in England, immediately by the stroke of a pen and a cablegram, sold it to the ultimate consumer. Poor consumer! He must have had a fit of indigestion. Each of the brokers cleared up $15,000. When this lumber left the mill it represented to Canada $35 a thousand. When it reached England, it represented $95. Canada got a little over a third of its real value. The rest of the gain went to foreign brokers; and all the brokers did was to put a stroke of their pen to a telegram. I could tell of hundreds of such cases from Montevideo to Valparaiso and Hong Kong to New York and Liverpool. Yet a co-operative Canadian sales agency on the scale of costs to the Citrus Growers of California would not

cost $7 a car to handle Canadian lumber direct from producer to consumer.

Why don't we do it?

For the same reason we don't peg the dollar at par with the United States. Because what is everybody's business is nobody's business.

As I recall—and I am writing from memory just now from a little out harbour of Northern British Columbia —Canada's lumber exports of paper, pulp, wood yields her annually in all over $200 millions. If she handled her own sales and paid the producers pro rata profits as the Citrus Growers do, her lumber should yield her $600 to $700 millions a year.

I am aware furs are a very sensitive subject with the fur trade just now.

As I have told elsewhere, the fur trade suffered from such abnormal conditions last year as always bring vultures round a boom. The United States is to-day fur crazy. Furs—good furs—are in greater vogue than diamonds; and a free spending nation that once gets a taste for furs will never lose it. The point of saturation in buying may be reached; for good furs are like diamonds. They last a life time. You don't buy them year after year. True; but new generations are coming on. Children don't stop growing up; and furs are the most beautiful frame for any face, the child's, the girl's, the grown woman's, the old man's, the dandy of fashion. The fur demand will always continue when it has been created, though it is to be hoped the summer fur fad will pass; for it is foolish and extravagant.

There was the first factor of furs becoming a fad that was a craze.

There was the next factor—oodles of money, newly

rich, high wages, people able to buy furs who had never bought them before.

Then there was another subtler factor. When the War demoralized German, London, Russian and Austrian dye workers, dye workers came to the United States; and the banks backed them to the extent of millions. A whole new dyeing industry sprang up. I know one combination of three dyeing firms, who were handling 200,000 musk rats before the War. In 1919, they handled 4,000,000. In 1920, they had trade demands for 7,000,000.

The boom in furs came with such a rush that prices shot up to the prices paid for rare jewels.

That was a danger signal, for into the game jumped Seventh Avenue gamblers of New York, who knew more about fake oil stocks and gold bricks and boot legging in grape juice than they did about the intricate, highly technical game of furs. They rushed out on the field from Siberia to Athabasca and bought wildly at fabulous prices "to bust the old companies," as they boasted; and "the old companies" grinned. They let them buy at fabulous prices, good, bad and indifferent furs.

When the spring sales came on in St. Louis, Montreal and New York, the trade demand was insatiable. Good furs were never sold so high; but the poor furs, the unprime furs, didn't sell at all. To save their faces, the gamblers bid in their own lots; and the banks closed down on them. There was a slump, but not in good furs. Only the poor were dead stock on a "busted" bankrupt market. They will be absorbed, dressed, dyed and ultimately go out to the trade in

cheap grades; but the trade demand is as great to-day for good furs as it ever was.

Now comes the reaction on Canada!

The commission buyers of furs in the big cities are standing first on one foot, then on the other. Is marten going to sell at $100 to $200; or to go back to $30? Is mink going to sell at $90, or drop to $5? Is otter going to bring $105, or $20 a pelt? Will silver fox stay at its level of $1,000, or drop to $200? Is musk rat worth $7 a pelt; or 50c to 25c? They have wired the buyers at all remote interior points to hold off the market till they see what the mid-winter sales do; and men, who hunted in the far North all last winter, have had to store their furs at local banks in the nearest settlement and go back without a grub stake for next year till they see what the spring sales of 1921 do. Either that, or sell at slaughter prices. What many have done is store their furs in the banks and abandon the trapping field for a year, to take a high-priced job in lumber mills or on rail construction, or to preempt a homestead, or go out as timber cruiser.

It does not need much of a guess to foretell what that will do to next year's sales. The gamblers are off the field as buyers. Their poor haul bought recklessly at high figures will be off the market as a factor next year; for the banks, who backed them have squeezed them to a forced sale; and countless trappers have abandoned the field for a year. I write this after having traversed about 1,600 miles of fur trappers' ground in Northern Alberta and British Columbia, and after having talked with countless local buyers, who are not buying but storing what they have.

Good furs will sell higher than ever next year. Poor

furs will not have a look in at high prices; but good furs will be scarce by the spring of 1922.[1]

Now for the reaction on Canada!

There has never been any known way to compute accurately the value of Canada's exported furs. Undressed furs, as you know, are not dutiable. Some go to England by post. Some go to St. Louis by express. Some to Seattle. There is no way of checking up the values going out; but it is supposed Canada exports from $10 to $14 millions of raw furs to the United States alone.

I have given elsewhere the prices at which these furs sell in the United States. The spring sales saw good musk rat sell at $4 to $7, A1 otter at $90 to $100, best marten from $90 up to $345, silver fox from $500 to $1,200, mink from $30 to $90, blue fox and cross fox from $100 to $240, fisher or pekan $145, white fox to $100 plus, timber wolves of a fineness, in black and gray, young and perfect, at $89, bear $40 to $89, and the other good furs in proportion. Now at time of writing I have just come from the wilds, where these furs were trapped, Northern British Columbia between the headwaters of the Skeena and the Peace, down the Peace, up the Pacific Coast, at the headwaters of the Athabasca. Here are the prices netted by the trappers locally, before the furs passed through the hands of half a dozen brokers; musk rat not saleable, owing to the slump in sales, though trade demands in 1920 are 7 millions against 4 millions last year; otter, A1, $18 to $35; marten, best, not $50; silver fox being held, no sales; mink $5 to $22; fox $20 to $30; fisher $40 to $50; white

(1) Exactly this happened in 1921. In spite of the panic, prices for furs, raw and manufactured, increased 30% over 1920.

fox $22 to $25; wolves of the rarest beauty I have ever seen—one from Alaska Borders—fine as silver fox, $25 to $35; bear $15 to $17; and so on.

One does not need to figure what a co-operative sales agency would do for these trappers, or the communities where they bank and outfit. Prince George is a good case to illustrate. Prince George has been waiting for the P. G. E. and Vancouver Road to come through for seven years. Seven years is a long time to have money tied up. Yet Prince George in these hard waiting War years has been doing a $750,000 business in furs a year. If the trappers radiating out from Prince George—down the Peace, up to Stuart Lake and Babine—had been getting the American trade prices for undressed furs, her fur total would easily have been $2 millions, instead of three-quarters of one million.

I venture to say, even with the expense of needing to store the furs for a year and get advances from the banks in the United States, it would have paid Prince George to spend $100,000 a year on a co-operative sales agency for her furs here.

I could tell the same story of agriculture and timber and mining lands held under lease at small cost, which have changed hands among speculators a dozen times since 1907, netting each broker thousands at each turnover; but Canadians did not get the benefit of the turnover, though they will when the lands begin to be producers.

The point I make is—Canada does not want to impede the development of her natural resources by stopping the brokerage activities in raw resources, but if Canada had horse sense and enterprise, she would be her own broker and get out of it all there is in it for Canada.

If Canada were getting her own brokerage profits, she would have more home capital to do her own developing.

Whether a co-operative sales agency should be left for private enterprise in each industry—as the Citrus Growers of California handle oranges and lemons—or should be a Government agency, I do not say. That is a matter of opinion; and I am trying to keep anchored to facts; and the facts are up to the present, that private enterprise has shown greater efficiency than Government enterprise. It pays in proportion to results. It does not increase taxes. It is not subject to reckless and irresponsible attack. Above all, it is not subject to periodic elections and upheavals; but that is for Canada to work out.

Canada buys from the United States yearly about a billion dollars worth of imports, of which about $800 millions are subject to duty; and as that duty is very essential in paying Canada's War Debt—either that, or a trebling of income taxes—the slogan "buy less" is not in the realm of practical politics.

Not buy less from the United States, but sell more to the United States, should be Canada's slogan; and Canada sells yearly to the United States from $400 to $500 million of goods. But the trouble is that the European demands and American demands for what Canada has to sell are already four times greater than she can fill. She could sell four times more print paper and pulp wood than she is selling, ten times more bituminous coal for bunkering purposes on the Pacific, and twice as much wheat to Europe; but at present she has not the human hands to increase her production; so the slogan "sell more" to the United States becomes about as impracticable of application as "buy less."

Both slogans sound well and mouth-filling on a political platform; but they don't work out in fact.

The question then becomes one of how to make $800 millions of imports from the United States equal $450 millions of exports.

If Canada were getting back full market value for her $450 million exports to the United States, they would total not $440 to $470 millions, as they have in the last few years, but a billion plus, wiping out the balance of trade against her with the United States.

This is the only way I know in which Canada's $450 million sales can be made to equalize her $800 million purchases.

There is another point on which Canada must keep her weather eye open, though it offend European importers, or not. It is absolutely vital to the Canadian manufacturer and the Canadian farmer. We must take a leaf out of Uncle Sam's book. When the Fordney Tariff was framed, it was found foreign importers, particularly from Germany, Austria, Russia and Latin-America, were sending in goods —textiles, machinery, hides, beef, cutlery, corn and grain products —at invoices of $500, when the same goods would cost in Canada and the United States $1,000 to produce. The under valuation invoices were running at the rate of 600 a month. And the invoices could not be disputed. With duty at 25%, the goods came in at $625, a cut of almost $400 below cost of production in Canada or the United States. The wages in these countries ran at 30c. for Europe to 12c. a day for Latin-American farm hands. Exchange in these countries ran at ½c., 1-20c., 1-200c. in the $1; so by translating the American $625— which under-cut our possible production—they were getting prices that really ran at 125,000; 1,250,000; and 12,500,000 in their currency compared to Canada's $1,000, plus duty of $250, to $1,250; and they were putting us out of business with unemployment and paralyzed buying power. The Fordney Tariff crimped this procedure, by assessing duty in American value at port of entry. Canada would do well to do the same.

CHAPTER VII.

The Paper Sulphite and Pulp Industry of Canada.

The paper and pulp industry of Canada is the red-hot end of a poker this year. I don't happen to have gloves on. I may offend by the facts set down; so get a chip on each shoulder. In fact, get several; for everybody is mad and hot about the cost of paper.

First, the newspapers in medium-sized cities and small towns are mad, because they have been paying prices of 16 to 18c a pound, where they used to pay 1 and 2c. Next, the big metropolitan papers are mad, because even on long time contracts they are paying 5 to 6 and 7c, where they used to pay 1 and 2c. Then the magazines are maddest of all, because they are almost where they can't be sure of a supply at all, even at prices advanced 300%. The book people are swearing and the book buyers sweltering because books that used to cost retail $1.35 now cost $2.00, and if the price goes higher it will affect the sale of books. It is now affecting the sale of books. Only a book that is a sure seller, or a deadly steady and safe seller has a chance of being published.[1]

Then, the paper manufacturers of Canada are mad because they are being accused of "gouging" profits,

(1) The drop to $80 in 1921 resulted from the panic cutting advertising down 66%. The essential facts remain the same. The United States are at the end of pulpwood resources. Canada has barely scratched the edge of her pulp forests; and though the price may go down to $60 before we are back to normal, the facts are still the same and Canada has the goods, which the rest of the world needs.

whereas—with the exception of one small mill in Canada—the Canadian mills are not getting one-half, in some cases one-third, the prices being charged the American buyer; and when Germany gets back in the game full swing, she may capture the American trade by cutting these exorbitant, robber prices. She was charging 7c a pound for inferior papers, where gougers were charging 11 to 18c.

And lastly, labour is mad; because though paper manufacturers' wages have gone up 300% since 1914, if the profits are proportionate to the "robber" prices charged, labour thinks it should have a larger share of those profits.

And because of those "robber" prices being laid at Canada's door for her policy of preferring to have paper sent out of her timber limits manufactured in Canadian mills instead of in American mills, an American senator actually proposed laying an embargo on anthracite coal shipped to, and needed in, Canada. If the American senator had probed a little deeper, he would have found the ring of gougers is not on the Canadian side of the Boundary, but on the American side.

Here is how the impasse has come about.

Even if there had been no War, with the increased demands for paper and the decreased areas of timber available for pulp in the United States, there would have been a shortage of paper supplies and an advance of prices; but when the War cut off the supplies from Germany and Sweden, the shortage became a famine, and prices began vaulting.

The War cut German supplies off from the United States. The War cut off the supply of paper workers. It increased the cost of paper machinery 200 and 300%.

This machinery came chiefly from Germany. But the War did more than that. It brought oodles of prosperity to the United States. Papers multiplied in number and in size. So did trade magazines. So did trade requirements for wrappers, for card-board boxes, for packing, for tissue paper, for wall paper and beaver boarding. The demands multiplied many hundred fold. Then when excess War Taxes were clapped on in the United States, to escape such taxes, many trades began campaigns of heavy advertising in dailies, in bill posters, in mails—all of which swelled the demand for paper.

Suddenly the United States awakened to the fact that in ten years it would not have a stick of pulp timber left East of the Rocky Mountains. Either it must buy its paper from Canada, or go to the expense of moving its paper plants West to the Rocky Mountain Forest Reserves; and the latter alternative meant heavy expense of money installing equipment and heavy freights to the East.

Now, certain people have a sort of sixth sense for "sensing" what is happening under the surface in trade. I don't know that we should blame them for it, rather than ourselves, who failed to see ahead; but certain rings of importers in Chicago and Dayton in the West, and in New York in the East, "sensed" what was coming and got busy. Here were Canadian plants stalled by the War. Here were American plants in 1915 hit by the panic and afraid they would not be able to sell their output. To shut down meant dead loss, inability to meet interest on accruing bonds, dispersion of staffs of highly-trained, expert workers. And here were these rings of brokers getting secretly and quietly very busy. They jumped into an arena of uncertainty

with the nonchalance of gamblers taking risks and going it blind. Blind? No, but with eyes that bored through the stone wall of the future. They went to American paper mills, who were afraid they could not sell their output; and tied all they could up in long time contracts for certain deliveries at certain figures over a term of years. They also went to certain newspapers and magazine publishers and tried to tie up on long time contracts at a profit over what they had contracted at the mills. The two types of contracts gave them collateral security at the banks to extend their brokerage operations. Many publishers refused to tie up, expecting paper to drop after the War. They have been kicking themselves since, and they are the people whom the brokers are forcing to pay "through the nose" now on short time contracts that have advanced every three months.

Then the brokers came up to Canada. Many of the Canadian mills had long time contracts with the big American dailies. Those who hadn't, or those who had a surplus over their long time contracts, or who were installing new machinery, tied up at prevailing figures. They, too, have been kicking themselves since; for when the squeeze came and prices began to soar, they were still delivering at the old price, which was not half, in come cases not a third, what the brokers were charging for what they resold at no cost to themselves but the pen stroke. I know some mills in Canada that are selling at $90 to $110 f.o.b. Quebec and Ontario points, freight to American points runs $5 to $11 a ton; and that paper is being resold at American points at $220 long contracts, $360 short contracts; and the poor beggars buying on short contracts are so near bank-

ruptcy they can't finance more than small quantities at a time, and are afraid to kick against robber prices for fear of not getting any supply at all. They are like a wasp with its waist between the two legs of a pair of scissors. Their sting is out for action, but it can't touch the hand nearest without death.

Of course, when the Canadian mills saw how the wind was blowing, they rushed to instal more machinery and increase their output; but here they came up against a real stall. The machinery came from Germany; and it cost 300% higher than formerly, and in many cases could not be bought at all. They could only buy options on the machinery, when it could be delivered; and delay in the Peace Treaty still tied up German shipping.

During the War, a great many buyers of timber limits could not find money to pay the balances they owed on pulp limits bought years ago outright. Simultaneously, these limits owned in fee simple, which had probably changed hands a dozen times during the War, began to be mysteriously acquired by unseen hands. Canada's paper company shares began to soar. They soared because of the threatened famine in paper, because of the high prices paid for paper, and because these same brokers were buying shares in Canadian companies on the open market.

While I am on the subject of prices I may add while I was in the paper sections of Ontario, Quebec and British Columbia, the prices being paid Canadians f.o.b. ran from $90 to $110 for newsprint, $65 to $60 for sulphite, $58 for ground wood. The former prices have at time of writing been increased to $140. The prices

being charged the American consumer ran from twice to three times these figures.

Fix the blame for "profiteering" where you like. The gouging has not been done by Canadians.

Get several other points clear on which there is great misunderstanding!

On lands owned in fee simple, whether in Quebec, Ontario, British Columbia, New Brunswick, *there is no stumpage, or royalty charge. Nor are there any restrictions as to export of unmanufactured pulp woods.* It is only on crown timber lands leased, stumpage and royalty charges are made, and one province insists the paper shall be manufactured in Canada and not the raw wood exported to build up American mills. So that disposes of the charge that Canada is "holding up" American consumers for all the traffic will carry. If American mills want to buy raw wood—of which more than 300,000 cords went from one small section of Ontario to points in New York last year—all they have to do is buy from Canadian settlers, who own the land, or buy lands owned in fee simple, of which millions of acres are for sale.

As the policy of the Canadian provinces is only to lease pulpwood areas, are such areas owned in fee simple available? Yes—in millions of acres, in hundreds of millions of acres in British Columbia. In Ontario and Quebec, the answer must be qualified.

Lands owned in fee simple there are, but they can no longer be picked up at a song, at 50c to $2.50 an acre as they were once bought. The owner sells them for what he can get, the most he can get. Lands close to cheap water power and water or rail transportation are mostly already taken. Also water power close to good pulp

limits is mostly taken. There is abundant pulp wood back over the hinterland towards James Bay. Also there is abundant water power; but there is no railroad yet. That is buying the future; and does not lessen the paper famine of the present.

Whereas, when you consider British Columbia, the conditions are still pristine. There is abundant land to be bought in fee simple at from $2.50 to $20 an acre. There is abundant timber to be leased on stumpage royalty basis of $1.25 to $2 an acre lease and royalty $1.10 per thousand, and water power to waste in ten thousand canyons of silent forest untrodden by foot of man—all within a stone's throw of either rail or water transportation. I can conceive of no better site for pulp mills than Prince George or Prince Rupert, where I sit penning this article. British Columbia has to-day only four big paper companies and six paper mills. It could sell the output of twenty to the prairie provinces alone, or to the North-Western States; and the rail haul on this output alone would pay Canada's rail deficits.

While I am on the question of figures, I may add while the average yield of paper wood in Ontario and Quebec may run as high as 40 cords, it averages 6 to 8 an acre. In British Columbia, 40 cords an acre is a small yield. Operators need not be told that a big yield on a close-in area is more profitable than sparse yield over wide area. Where the paper mill can handle their wood close to their mills in Ontario and Quebec, it costs them only $7 to $10 a cord. Where they have to skid and drive on rivers and haul through forests it costs them $20 a cord. The figures given both East and West on manufacturing are fairly uniform.

1 cord equals 1,600 to 1,700 pounds of paper.

1 cord equals 2 tons of ground wood.

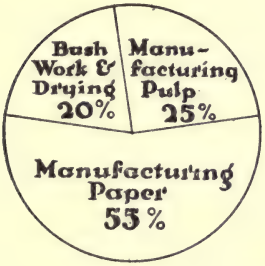
1 cord equals 1 ton of sulphite pulp.

In British Columbia, 1,000 board feet equals 1,400 pounds of pulp. Logs at the pulp plant cost in 1920, $18 per M. Paper was selling $100 to $110 a ton. Cost of manufacture ran at $14 to $18; but to this must be added the cost of installing the dam, the water power machinery, the building of housing facilities in remote wildernesses, which in all seldom run less than $7 millions, and often up to $14 millions.

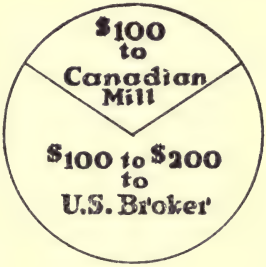
I have these figures from the foresters of both British Columbia and Ontario, also from the books of two large paper companies East and West.

I have also two very interesting circles:

First, for $100 of paper sold f.o.b. in Canada:



1



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Second, when the paper costs the American buyer $220.

You can work these circles out finer into scales of wages and freights if you want to.

Scales of wages—I set down exactly as one mill's pay sheet lies before me:

Common unskilled labour—1914, 15c an hour; 1916, 17c; 1920, 54c.

Skilled labour—1914, 30c an hour; 1916, 75c; 1920, $1.70.

River drivers—1914, $25 a month and board; 1920, $150 a month and board.

A1 machinist—1916, 35c; 1920, 91c an hour.

Paper room—1916, 57c; 1920, $360 a month.

Steam plant—1914, 17c an hour; 1916, 54c; 1920, 84c.

I think this scale holds good as typical all over Canada. If the brokers and paper mills have gained increased profits, so have the workers in proportion.

And the labour problem is a peculiarly difficult one for the paper mills. All labour is scarce. Trained skilled paper labour is peculiarly scarce; and the average age of all the paper workers in Canada to-day is twenty-nine years. Please look at the scale of wages! It is higher than a university professor's. It is higher than the salaries paid to governors in New Mexico and Arizona. Bosses get $5,000 to $8,000 a year. That is higher than the salaries of provincial cabinet ministers and as high as the former salaries of federal cabinet ministers. (Sir Thomas White has just left the Finance pilot wheel in Ottawa for a better position in a private corporation. Will Sir Henry Drayton and Premier Meighen please forget this scale of wages; or the first thing we know, they will be jumping from their posts to become paper makers, though a mean-eyed cross-bencher in the Opposition might say that our present system of currency—but I won't put the idea in the

cross-bencher's head. Making paper is more remunerative than making currency just now. You can go on strike to raise wages; you can't to raise taxes; and I am afraid to write what I am later going to write about track workers and coal miners for fear MacKenzie King and Premier Meighen and Sir Henry Drayton all forsake the benches in Ottawa to stoke coal out of sight under ground; and what would we do if we had neither Government nor Opposition to kick at, when elections come round? Let us keep 'em on the job so we can kick 'em! That is what makes public service such a privilege in a democracy. That is why we keep our good men on the job, as the Chinaman said about prophecies—"Velly—mebby."

Labour is a difficult thing in the paper industry.

It must be highly trained and highly skilled.

It must be young and husky, whereas at a pinch we do use fogies for Government benches. Men past forty can't stand the wet rooms. I doubt if men under forty have the tough hide to stand political "slams."

Then pulp wood limits must necessarily be set down in remote wildernesses of lonely outposts at the Back of Beyond. To keep labour contented there, you must build homes, create cities, put in such improvements as water works, telephones, schools, good hotels, amusement halls, hospitals—which can never in all time pay for themselves and cannot be charged as overhead. Yet they have to go into capitalization. You can hardly touch a paper project under outlay of $7 millions. You may have to spend $14 millions; and you may need $20 millions. You can't just go to the bank and get this for the asking. You have to have security. What is your security? Large limits—an assured future; or no

bank will touch your proposition with a long range pole. Canada must treat her paper manufacturers generously as to limits if she is to get more paper mills; and she must treat her labour generously if she is to get more labour; and she must treat her investors in paper company stocks generously as to profits if she is to get the public to advance money for more mills; but if all three factors to success begin scrapping for the lion's share in the hog trough, we shall simply "bust" the promise and possibility of the biggest chance Canada has to capture an enormous and enormously profitable trade.

What are the possibilities of gain to unified effort in the paper industry?

Canada is shipping yearly a beggarly $80 to $120 millions of paper and pulp to the United States to-day. She ought to be shipping more than $400 millions, and that yearly shipment would represent billions of capital invested. Altogether the money invested in Canadian lumber industries at time of writing is between $200 and $300 millions plus. It ought to be billions. By the end of 1921, there was promise of a billion of American capital coming into Canadian paper industries.

The United States uses yearly two million tons of newsprint. Canada supplies only a fourth of that. She ought to supply three-quarters of it.

But newsprint is not a fifth of the paper requirements of the United States. There is the magazine trade. There is the book paper. There is wrapper. There is poster. (I know a paper mill in Wisconsin that has grown rich supplying only one patent medicine firm with bill posters and advertisement wrappers for their doped medicine frauds.) Do you see where Canada

might get off if she jumped in this paper game for all there is in it, without any hog share going to the gougers' ring of brokers, whom I do not blame. I blame our own parochial slowness and—shall I add—our own stupidity.

Facts are pretty good things to go by in the paper making industry just now.

When I was in two of the great paper making centres of Canada last summer—in the hinterland of Ontario and at the two paper mills on the Pacific Coast—I was told by workmen in these mills they hoped I would "give Capital Hell"—evidently a Capital H—"for increasing their capital, charging extortionate prices to American buyers and then paying fancy dividends."

The pious hope was expressed by a worker, whose age was twenty-nine, who worked eight hours a day, and whose pay had increased from 30c an hour in 1914 to 90c an hour in 1920. In 1920, his mill was receiving $90 to $110 f.o.b. for print paper, which was resold by American brokers on the American market at $220 to $380 a ton. The week this eight-hour-day, high-pay boy expressed his pious wish, German industrial workers had petitioned the German Government to be permitted to work twelve hours a day in order to increase output, and a consignment of German paper was landed in New York freight prepaid at 7c a pound.

Comment isn't necessary.

I asked my adviser how many times his mill and its town had been burned out during the great bush fires of the War period.

Twice—he said.

How did the company get the money to rebuild?

Borrowed it—he guessed.

From whom?

Banks.

What security had they put up to the banks?

He hadn't heard, but he guessed they had bonded their timber limits, the area of which he had indicted just a moment before as a crime.

I told him the banks didn't consider timber limits good collateral in the slump of the War years, when bush fires had made two clean sweeps. As a matter of fact, the owners of this mill had pledged all their private fortunes, all they owned in other securities, all they could borrow on their homes, to raise money to rebuild the paper mill and create an ideal town in a wilderness. I asked him if he had gone in debt to rebuild the mill and create a new town in a wilderness?

No, he hadn't; on the contrary, his wages had increased from 30 to 90c as a result of the company going in debt to be prepared to go ahead when business resumed.

I asked him how much the company had put in its rebuilt mill.

Six or seven millions in plant, machinery, dam and building.

How much in its rebuilt town?

He thought about $3 millions, but wasn't sure.

Then why should I give the company what he called "Capital Hell" for plowing back with enlarged capitalization, what it had actually expended in an increased plant? If I bought a farm for $5,000 and put $20,000 stock and fencing and building on it, should I still capitalize my farm at $5,000, or $25,000, or at $40,000 for its increased potential earning power?

He looked a little dazed, but he bade me look at its

dividends—just as high dividends on increased capital; and I bade him look at his increased earnings, 300%, on a decreased output; and he had carried none of the burden and loss and risk in the slump War era of the fires. In fact, his wages had gone up three-fold at that very period.

He told me that represented only the three-fold inflation of the dollar.

I asked him why that argument didn't apply to the company's three-fold increase of capital.

He guessed we looked at things differently. I guessed we did; but it seems to me Germany is going to umpire the dispute if she can put on the New York market paper at 7c a pound, where paper from Canada is costing 11 to 18c.

In the old school books they always used to tack a moral on to the end of the story. There is no moral tacked to the end of this story; for the moral runs all through it; and if I set it down, you would skip it.

Hunt for it.

As the real estate dealers would say, "there's millions in it!"

On looking over my notes taken during 1920, I find some facts that may be of greater interest to the special reader than the general, and I set them down purely for reference purposes in the dispute which is sure to wax hot in proportion as facts are lacking, in the coming session of the Dominion House and the U.S. Congress.

Ontario, average cost of wood at mills, $20; average selling price of Ontario mills, $96. One cord wood=1600 to 1700 pounds paper=2 tons ground wood=1 ton sulphite. Shares selling in July 400% higher than in 1916: wages 300% higher than in 1914. Selling price sulphite $63 to $65: ground wood, $58: wood chiefly used spruce. The largest mill in Ontario keeps a supply of wood on hand of 300,000 cords in case of bush fires, which represent a dormant cash investment of $2,100,000.

Quebec has under lease 45 million acres of crown lands; the ground rent is $5 per square mile of 640 acres, not exorbitant when you figure the yield at 8 to 40 cords of pulp wood. Quebec is taking in

$2,000,000 a year from forest rentals, which does not apply to settlers' lands.

It takes 120 years to grow a supply of pulp wood 14 inches diameter. Supply at rate of growth and demand can easily be totally exhausted in present generation. Of 75 million acres in Quebec, 6 million acres are owned outright in fee simple.

Of the pulpwood in Quebec, 45 million acres licensed=180 million cords of pulp wood. Of the 6 million acres privately owned=30 million cords of pulp wood.

Of the Abitibi Limits on border of Ontario and Quebec, average yield is 40 cords. No spruce below 12 inches diameter is cut, no balsam below 7 inches.

Slightly over $200,000,000 Canadian forest products went to U.S. in 1920.

From the time the wood is cut till paper goes to consumer, is usually 2 years, which represents dormant investment of enormous capital.

Ontario Government tax is 40c a cord on leased land of which average yield runs 6 to 9 cords an acre. At time of writing, there is no duty on wood, sulphite, ground wood, newsprint to U.S.

In British Columbia, not 10% of limits are yet taken from Babine and Stuart Lake to the Fraser. Pacific mills pay B.C. 25c a cord, $5 an acre, $1.10 royalty per M, $1.25 per M stumpage. In B.C.—1000 board feet=1400 pounds pulp. Logs cost $18 per M and paper contracts are $100 a ton. Cost of logs taken out by mills themselves and skidded down by gravity, $14 per M. Cedar logs for lumber were costing $50 per M in August. Limits formerly cost 50c to $2.50 bought outright. Costs now 5c an acre to holder, yearly rental $140 per 640 acres; licenses, $2.50 per M feet: yields 8 M per acre to 100 M: average yield 30 M per acre. Only 50% of Queen Charlotte Islands timber taken: islands 200 by 60 miles. Timber cost Prince George $38 f.o.b.; logs, $8 to $9 per M. East of Prince Rupert, 3000 square miles pulp wood untaken; cost here, 2c per acre tax, $100 per 640 acre rental, royalty to 1925, $1.02. There is no limit in B.C. as to size of areas taken. One cord white spruce=2400 pulp wood: spruce runs 30 to 60 cords per acre.

Annual loss by fires in pulp wood of Canada one billion dollars, five times output of all exported wood products.

Rents to paper makers for houses with all modern improvements 8 to 11 rooms at Abitibi, $23 to $37 a month. Recreation halls free. School cost $80,000 a gift from Company, this within 200 miles of James Bay.

When the speculators bought shares in Canadian companies, paper went begging at two and a half cents a pound.

The largest New York dailies alone use $12,000,000 of paper a year, that is an eighth of Canada's entire newspaper output.

New Brunswick wood pulp can be shipped down to U.S. all water route, which means cheaper handling and cheaper freights.

Pulpwood from settlers there costs mill $12 to $14 a cord. One cord =3000 pounds. Regulation N.B. recently changed but very favorable to publishers, who will establish their own mills, similar to Northcliffe's in Newfoundland.

CHAPTER VIII

Canada's Coming National Immigration Policy,

Whether you consider increasing Canada's production of wheat, lumber minerals, pulp, to make output equal currency and so prevent the smash of deflated currency; whether you consider paying the railroad deficit by increased traffic instead of increased taxes; whether you want to increase the output of paper to meet the paper famine; or how to get the most out of Canada's natural resources for Canada rather than for foreign brokers—like Omar, you come back to the "same door as in you went."

That door is increased immigration, increased workers, increased hands.

In spite of newspaper reports, Canada's immigration has not increased since the War. If you count up the number of Americans who registered at ports of entry in Canada from the Klondike boom to the War, you will find the total something between a million-and-a-quarter and a million-and-a-half. If you then figure up how many Americans remained in Canada, you will find the total about 450,000.

The figures are staggering; but when I get a blow, I don't bear the blow a grouch. I salute it; and I want to know where it came from. I don't want to dodge the next blow. I want to see that no blow comes. It is "the lifting kick" over again. I want to see that "the kick" lands me upstairs, not down.

Now, granted that preceding the War the first wave of a panic stopped immigration, or rather stemmed it! Granted that the War almost stopped it! Granted that a good many of the incoming million-and-a-half were floaters prospecting outlooks, with no intention of remaining, adventurers, wanderers, restless spirits, financiers, promoters! Granted that a lot of settlers fulfilled their homestead duties and either mortgaged their holdings and got out, or sold to permanent settlers and big holding companies at $10 to $20 an acre.

"How can I make $3,000 easier in three years?" a Missouri man asked me ten years ago, as I passed down the Saskatchewan. "I put in my homestead duties in the summer. I work in the lumber camps in the winter, or in the railway construction gangs. I can clean up $1,800 each winter. Then I can sell out at the end of the three years for $4,800. With the cost of my family's living deducted and all expense of moving deducted, I can sell at the end of three years, and go back $3,000 to $5,000 saved."

Granted a great many did that on the prairie wheat lands, and on the 640 acre British Columbia timber limits, when staking timber limits was a veritable craze.

The facts for Canada to remember are these: it was similar floaters, who anchored down, that peopled all the Western States from Minnesota to Texas; and these States show a population of from three to seven millions, where our Western Provinces show populations of only 300,000 to 500,000. Also, at the minimum wage of $3 a day—which no longer prevails—the minimum is closer to $5 a day—the loss of these 800,000 newcomers, who dribbled back to the United States—represented to

Canada a loss in productive power of $1,000 a year each, or $800 millions a year to the nation; for the boys, who came in children ten years ago, would have been man-sized workers to-day; and if the girls were not independent workers, they would have been mothers, which is quite as good for a nation. If the C.P.R. estimate is right—that every wheat producer is worth $700 a year in traffic to a railroad—then one-fourth of these departed ones represented this loss in freight on the deficit of our National Railroads, ¼ of 800,000 x $700 equals $140,000,000.

That is, if one-fourth of our departures had remained, they would have converted our National rail deficit into a surplus of $100 millions. We should not have had a deficit. We should have had a surplus. We should have had a second line of steamers running to the Orient and a second line of steamers running to Alaska. We should have had tourist hotels like the Chateau Laurier at Jasper, at Prince George, at Prince Rupert. We should have had a second Spokane at Prince George and a second Seattle at Prince Rupert. We should not be suffering a shortage of coal in the prairie provinces and paying famine prices for coal, that increase the cost of living to every householder on the prairie. We should be mining hard coal good as Welsh admiralty coal, or Pennsylvania anthracite, up on Bear Creek between Prince George and Peace River. We should have smelters at Prince George and Prince Rupert to handle the enormous deposits of low grade copper and iron North towards Portland Canal, and between Prince George and the Babine Lakes. We should have had pulp mills at Prince George and Prince Rupert, where the water power is exhaustless, the cost of installation

low, the distances short—not twenty miles—and the supply of pulp wood unlimited. We would not be paying $200 for paper and $120 for lumber.

Why did Canada lose the newcomers?

Because she had no organization, or mechanism, to stake them down into permanent residents.

Here is what happened and how.

I was in the West three times in this period, and deprecated what was happening; but deploring doesn't escape effects if you permit the cause to run amuck.

Land values were kiting in the Western States. They were at an average of $75 an acre. (They are now above that in many points in the Canadian West.) They have since gone up in many points in the Middle Western States to $100 and $200. People came across the Line in a craze for land. Who received them? Anybody, everybody. The immigration officials shoved them along in job lots and mobs; and the land sharks were there with a brass band and a motor car. Sometimes the newcomer was a wise old pioneer, who knew black loam from sand, and dry land from well watered areas. He got himself located right and is in Canada yet; and he is raising 40 bushels to the acre, and selling it at $1 plus, and going to California every winter in a motor car. He is all right. He wasn't the man who left. But how about the man who took out his homestead on sand, on dry land, on light land that produces big crops in moist seasons and no crop at all in dry seasons? He isn't in Canada any more. He was droughted out. He was frozen out. He was starved out. He moved away with a curse in his heart, and a black eye for Canada. Suppose there had been a local organization out on the spot to pilot him to good land

in the first place; or if he got located wrong, to remit one homestead and take another. He would be in Canada yet. The ranchers long ago warned the public land officials that certain areas ought always to be reserved for ranching. They produced only one good crop every seven years. The other years, drought or frost got the crops. The land was not worth more than $5 an acre for ranch purposes. How about the poor devils who paid $14, $20, $30? They, too, have moved off "broke," some of them after shooting seventy head of stock last winter to prevent its starvation. But such differences in land don't show on civil service maps and plots. Only the local men know the truth; and the ranchers were accused of playing a crafty selfish game to keep settlers out. You can see in some such areas, six sets of homesteaders' shanties and cabins successively abandoned in ten years.

"Look," said a real estate agent to me, "the first men who took that got it at 50c—half-breed scrip. The second men paid $3.00. The next buyer paid $14; and the next will have to pay $30. Why, the section next to it raised 40 bushels of wheat last year. The farmer on that next section cleared up $15,000 net—as much as a first class corporation lawyer could make. You bet the next buyer will pay $30."

"And he will be skinned worst of all,"I mentally commented, for while the 640 section was beautiful black loam free of mustard and thistle, this particular quarter section, by a sudden shift in the quality of the land, was light sand.

But these differences in quality don't show on survey maps and real estate plots. The civil service at Ottawa does not know the local ground. Only the local man on

the local ground knows the local differences; and unless he belongs to a disinterested organization, he is apt to be an eager seller, or out for a commission of $400 or $500 to land "a sucker."[1]

Said a wise old pioneer to me once when the craze for fruit lands was at its height in Colorado—"We go up to the mountains to catch trout; but we keep down in the valley to catch the suckers."

"Thanks," I answered. "I am not here for a fruit *rawnch.* I am just a passing traveller."

And how about the investors, who bought suburban lots twenty miles from a flat car, which was mapped as the centre of a town, and are still paying them on the instalment plan? And how about real suburban lots that ran twenty miles from real towns but will not be built up yet for twenty years? When they came and saw what they had bought, do you think they stayed? The thing broke like a bubble before the War, and the War simply gave the last iridescent froth its last snap into nothingness.

Or perhaps it was a case of a stork impending over a new settler's shanty, miles from medical aid or hospital. I encountered three such storks once crossing the prairie. In one case the stork hovered three days before he delivered his burden; and the delay left the mother a cripple, after such agonies as only soldiers on the battlefield know. If you compare that woman's suffering with the suffering of a wounded soldier who was not rescued for three days, you will have an idea what that little new life cost in anguish, physical and

(1) The tragedy of a crop failure in the drought areas in 1921 really resulted from the wrong location of people in arid areas, when there were millions of acres of good land, where they might have and should have been located.

spiritual. Now these things don't show on Ottawa survey maps either; but they are essential factors in keeping settlers, or losing them.

So are schools, so are telephones, so are hospitals, so are community centres.

Canada has remedied many of these things in these last ten years. She has pushed the best of schools abreast settlement. She has put in rural telephones. She has built roads, and where she could, put hospitals in each community. She has organized women's institutes, local clubs, Red Cross Aids, Patriotic Associations; but she hadn't those aids at the period she lost those 800,000 incomers.

The point I make is—Canada's policy of Immigration must become a National Policy of Colonization; and such a policy she has in the new Soldier Settlement Board, spite of all the kicks shied at that board.

Two objections to such a New National Policy get out of your head. They are nothing but camouflaged small politics.

The Soldier Settlement Board was not brought into being to deal out largesse to returned soldiers. Soldiers, who fought for freedom, don't ask for largesse, nor for eleemosynary doses of larded charity either. If they went to the War in that spirit, it is a pity they ever came back. The Soldier Settlement Board was brought into being—in the words of Premier Meighen, its creator—to help Canada, and at the same time help the soldiers who were worthy of help and willing to try to make good and do as much for Canada in time of peace as in War. The Soldier Settlement was brought into being to make it possible to place returned soldiers on

land, who wished to return to the land and could make good as producers on the land.

"The Government put me here. It's got to see me through. I should worry," said a man who, of the four years in the War, spent one month on the firing line and the rest of the time at the back currying horses because he was such a coward he could not be trusted on the line. His father died in the workhouse. His mother died in the same place; and in the winter of 1919-20 his children almost died of cold and starvation because he was so lazy he would not work the land he had bought through the Board, and he actually refused to haul out his supply of seed. Naturally, he will lose his land and raise high howls to Heaven against the Board; but he is only one of three failures out of 1,127 successes in that section.

So get rid of the idea that the Soldier Settlement exists as a charity to the soldiers. The soldiers don't want charity. It exists to do for Canada in time of peace what the soldiers did in time of War—"lift the country over the top."

There is another misapprehension which must be cleared up.

Said a very fine man to me—"If you help the returned soldier to buy land, why shouldn't you help the returned soldier to buy a grocery store, or set up another line of business?"

Because the Soldier Settlement does not exist primarily for the sake of the soldier, but for the sake of Canada. Because Canada's future depends on increasing production and increasing it yet again. The only creators of something tangible that did not exist before are (1) the man who takes food out of the land; (2) or

minerals out of the earth; (3) or lumber out of the forests; (4) or fish out of the sea. The very nature of the occupation does not permit homesteading timber limits, which cost $200 an acre to clear, and will pay for their own clearing without government aid; or homesteading of the rivers and sea for the golden harvest of salmon and halibut; or homesteading minerals, which if they are there will pay for their own mining, and if they are not, must not be financed by public funds.

While on this subject of kicks, which really camouflage ulterior and, in some cases, sinister motives, I may as well deal with another grouch.

Canada is in need of workers, desperately in need, for her trackbeds, which are so undermanned in two sections I know as to be unsafe, wages $5 a day; for her farms, wages $100 to $70 and board; for her lumbering, wages $6 to $10; for her pulp mills, wages $5 to $11; for her coal mines, wages $5 to $33 a day. Yet when one railway proposed to bring in 20,000 picked Italian labourers for its trackbeds, a certain so-called soldier association (not Canadian, though operating in Canada) issued a loud-voiced protest that such a move would be taking bread out of the returned soldiers' mouths, who could not get work. I do not mean taking work from the soldiers' hands, but from their mouths; for the man who issued this protest had never done any work in all his life but with his mouth; and at the present time he is acting as the mouthpiece for a Bolshevik organization, whose watchword is—"Don't work; it makes more jobs if you do less work." In other words, we are to risk Canada's National progress

for a policy of I-Won't-Works, who are banded together to oppose the incoming of all and any extra labour.

"If a man will not work, neither shall he eat." This is not a mere dictum. It happens to be an eternal law, which you can't break. It breaks you. If you don't produce food, you won't have it to eat. If you don't produce lumber, you won't have it to build a house; and if you don't produce minerals, you won't have fuel and you won't have coin. And all the "revolooting" under the sun—as Russia and Mexico have demonstrated—will not modify the facts of an empty stomach, an empty purse, a cold hearth, and roofless heads.

At the time this grouch was uttered with a yell, there were five jobs in Canada waiting for every worker available for a job.

Before taking up the Soldier Settlement scheme as a New National Policy of converting Immigration into Colonization, it is only fair to set down what two provinces are doing to try to right the errors of the past. The two provinces are Alberta and British Columbia.

In Alberta, it was so obvious that many settlers would stay if given a chance to start afresh, that the mayor of Maple Creek, backed by banks and manufacturers and boards of trade all through the province, set agoing a movement to raise a million, or several millions, if he could, to help settlers relocate. This is excellent as far as it goes; but it is a mere drop in the bucket compared to what is needed. Divide a million dollars by 800,000 departures and you will see. Canada's new Immigration Policy must be a National Policy for all provinces and all comers.

In the early days, when British Columbia forests had lain untouched and impenetrable for a hundred years, it was, perhaps, wise to encourage opening them by per-

mitting the homesteading and staking of 640 acre claims; but when the staking became a craze, and the man owning lease, or fee simple, simply sat down on his land to await the speculator, or the speculator paid only a part of the price down, and waited to sell to a broker, who would resell to another broker, not taking out a stick of timber, nor clearing an acre of land, nor bringing in a single settler—it was time to change the old policy; and the slump in the boom gave British Columbia her chance. Leasees could not pay their yearly rental of $140 a 640 acre claim. Buyers had fallen down in the payments of their instalments. Lands began to revert to the Crown; and British Columbia accelerated the movement by increasing land taxes, buying back alienated lands, charging a stiff interest on delinquents. Alienated lands are reverting to the Crown, and British Columbia is offering specially generous terms to returned soldiers—not one of whom has failed in that province—to bona fide settlers, who must reside five years, or to speculators, who hold on but bring in settlers. For all others, British Columbia is putting on the squeeze.

But these palliatives can touch only a few thousand settlers. What Canada must have is a New National Policy for millions; and the mechanism on the spot for carrying that New National Policy out, she has in her Soldier Settlement Board, which I shall go into in great detail with particulars of wonderful cases of successes and failures.

By the time these words appear, I shall have visited every important Soldier Settlement from Winnipeg to Vancouver and Peace River to Victoria. Some I visited under guidance of Board officers. Others I visited by myself, practically unescorted, so my evidence would not be biased.

CHAPTER IX

How The Soldier Settlement Board is Winning Out. Where The Kicks Come From And Why. What Canada Is Paying And What She Is Getting.

When the Soldier Settlement scheme was first outlined in the House of Commons by the Honourable Arthur Meighen—who with Dr. Black should be given credit for one of the biggest pieces of constructive legislation ever enacted in Canada—a Western member rose and warned the country that if he had mortgaged his Western farm to the full extent contemplated by the Act—some $4,800 plus for the land, $2,000 for house, $750 to $1,500 for equipment and seed, or $7,500 in all—he would never in all time have made enough to pay off the mortgage, even in twenty-six instalments of a few hundreds a year. Therefore it behoved Canada to beware of any scheme on which she would expend from $50 to $100 millions, and might finally find herself loaded with a lot of abandoned mortgaged farms on which she could not possibly realize half the face value of the mortgage.

Practically the same warning was uttered when the Federal Farm Loan scheme was launched in the United States some five years ago, and when the Jewish Agricultural Loan was launched some eighteen to twenty years before. But as a matter of fact, practically not a failure has come home to roost on the U.S. Federal Land loans, though the loans now total hundreds of

millions; and the proportion of failures in the Jewish Agricultural Society is so small—not 2%, and those due to deaths, accidents, causes over which there is no human control—that all the money expended by the first Baron de Hirsh fund is now coming back in yearly instalments that supply a perpetual fund for expansion. I have written fully of this elsewhere. It is to these two schemes that the Canadian Soldier Settlement has the closest resemblance, though Mr. Meighen's plan was devised so utterly independent of these two forerunners that his Board asked me to get them reports on what the other two loan organizations had experienced in financing a Back-to-the-Land movement.

Still the honorable member's exception was well taken if it had any foundation in fact. Now is the time to kick, not after we are deep in, as we are in the National Railways; and Canada has been exercising her kicking prerogatives like a lusty boy.

The honorable member was right: $7,500 is too big a mortgage—though the U.S. Federal Board and Jewish Agricultural both go up to $10,000—*unless the land is good land.* If the land is good land, two years of good crops will pay off the entire indebtedness; and the Board permits almost thirty years to pay off the entire indebtedness in instalments that do not yearly equal the cost of a team of horses. I shall give a dozen cases, where mere boys working from dawn till dark—and the sunlight is not run on an eight hour schedule in the West—*will be able to pay off their entire indebtedness in one year.* I shall give examples, where there has not been a single failure out of hundreds of settlements in one area. And I shall give some hideous failures, where men were put on land through Civil Service pull who

ought never to have been permitted to enter for land. They were lazy, or they were irresponsible, or they lied about age and experience, or some local member of parliament accompanied their application with a personal letter attesting experience and qualifications and so on which did not exist; and the local supervisor did not dare to fight such testimony without proofs; and unfortunately the proofs came in failure—though these failures do not total 2%.

And right here come some of the loudest kicks. A returned boy had friends in a certain section, perhaps relatives, settled before the War. He picked an adjoining quarter section, which was the limit under the Act. The Soldier Settlement will not accept an applicant unless he has had farm experience, or puts in an apprenticeship with a farmer, or attends an agricultural course. But we'll suppose the applicant for this particular quarter section had the documents attesting any one of these qualifications—perhaps all of them. The trouble is with the quarter section he has picked. It is poor land. It is alkali. Or it is swampy. Or it is light and sandy and has been abandoned half a dozen times already. The local supervisor refuses to pass that land. Up goes a kick from the relatives, from the returned soldier, from the returned man's local soldier association. Or the land has been over-mortgaged by its former owner and the former owner has gone back to Germany; and it is impossible to get a clear title to that land. There is delay. The applicant is willing to take a chance on it. If "the Boche comes, he'll smash him," and that kind of thing; but that does not give legal title to land for a mortgage. There is delay; and the delay, and the local causes of delay, do not show on the maps down in

Ottawa. The Board in Ottawa gets another edition of kicks from the relatives and friends over needless delays; and it passes those kicks back to the local supervisor, who may be getting hot under his collar. The kicks are coming from both directions at once now—from outside and inside. The path of least resistance would be to yield; but then that same supervisor would be held responsible for a case of salvage in a couple of years; so he stands like a rock and takes the kicks till he is black and blue; and for taking those kicks, if he is a field man, he gets $125 a month, if he is a district superintendent, he gets less than $300 a month. He could go out, and if he had a good quarter section—and he is in a great position to know the good quarter sections—he could make double his salary in a crop of wheat in a single year. I know of cases where $5 worth of postage and $50 of time have had to be wasted in postal replies to such kicks. I know of one case where less than $2 worth of pencil sharpeners bought for a Western office, cost that office $4 in explanation and $11 in office time explaining that pencil sharpeners were needed. These things don't show down in Ottawa. They do out locally on the spot.

Then there is the buying of land to resell to the Soldier Settlement. Along comes a vendor, who is a good party man. He has letters of introduction from the local member. He has the very land the Soldier Settlement Board needs. (He fails to explain that he bought it too high and is desperate for money to pay his defaulting instalments.) A local farm supervisor inspects the land. It may be good land; but the price is too high. Kicks from the vendor signed "Vox populi," or "Returned Soldier," or "G. W. V.'s" or I. V. A.'s." Or it

is medium land; and the price is scaled down. More kicks! Or it is no good land; and is not bought by the Soldier Settlement Board. Loudest kicks of all. There is no man feels so aggrieved as the crook caught in the act and failing to put it through. He is apt to weep, or go off in a premature explosion over the wicked graft of the Soldier Settlement Board.

I know of one area where a splendid selection of some 20,000 acres was bought low and quickly by the Soldier Settlement Board. The vendor passed the local farm inspector four $100 bills. "Just a tip," he said. "You put it through quick for me; and I needed the money. I would have to pay a real estate broker at least $4,000. There is no reason why you shouldn't take it."

The farm inspector, who was getting the princely salary of $1,500 or $1,800 a year—I forget which—passed it back.

"The Government pays me for my services," he said.

"That doesn't hinder me making you a present," said the vendor.

"No, but it hinders me taking double pay," responded the ex-service man.

"Well-I'll-be-blanked," said the vendor.

"If I did that to pass good land, why might I not demand ten times as much to pass bad land?" answered the ex-service man.

"You don't think the Government is your meat?"

"No, only my bread and butter to carry on."

I could tell of four such different cases in one section; but it is idle to expect that men of this calibre and ability can afford long to remain in a service that pays them less than a year's crop would net; and to handle the Soldier Settlement Board at long range from Ottawa

through Civil Service red tape would impair the efficiency of the Board's local management beyond recognition. Maps don't show these things. Neither do formal letters costing $5 in postage for $2 worth of pencil sharpeners. When a corporation does a $100 million business a year, it does not employ $125 men to handle the business. In the first flush of patriotism to get the thing going, that is all right. The staff of the Soldier Settlement Board are working in that spirit now; but if you think big corporations, watching the work and results of these men, will not presently snap them out of the service, you are not acquainted with human nature. It will be the old story of three of the ablest statesmen Canada has ever produced—Sifton, White, Gouin. The country considered their services worth $7,000 a year, kicks and cesspool slime thrown in free of charge. Private corporations considered them worth $40,000 a year; and Canada lost their services nationally; for there does come a time in a man's life when he can't live on patriotism. It won't pay his debts.

Our Canadian foreign commerce to-day exceeds $2 billions. Our War debts exceed $2 billions. To handle that $2 billion a year business, we offer our public men grudgingly less than a farmer makes off a half section of wheat in a year, less than a woman buyer gets in a departmental store, less than a miner makes at piece work under ground, less than a commercial traveller makes selling on commission, less than one fitter of corsets makes on Fifth Avenue, New York.

That is why I keep saying—and making enemies by saying—that Canada must change her parochial outlook

for a National outlook, if she is to keep her big National business off the rocks.

To come back to Soldier Settlement things, at time of writing from 25,000 to 30,000 have been placed on land. I can't give these figures accurately; for they are changing and increasing every day. By the end of 1920, 25,000 returned men will be placed on land. By the end of 1921, from 64,000 to 75,000 applications for land will have been approved and rushed through, fast as titles can be cleared. Suppose 11,000 men change their minds, or can't get title cleared, or die of injuries, or find their health too impaired for farm work, or have to leave the locality owing to death in the family. Suppose Canada places 65,000 men on land. What is she going to get out of it?

On a freight basis, each man is worth $700 a year to the railways.

That is $45,500,000 for freight alone.

On a production basis of labour at $3 a day, each man is worth $1,000 a year.

That is $65,000,000.

How much is Canada spending on her Soldier Settlement?

To date, she has spent about $86,000,000.

On a freight basis, she gets back in a year half she has spent.

On a labour basis, she gets back in a year almost all she has spent.

And Canada can't lose her capital investment, though she is getting back 100% a year on it.

She bought much of the land at $7 to $8 an acre. This applies to Humboldt, to the Bob Tail Reserve South of Edmonton, to Peace River. She bought much of the

land at $20. This applies to Manitoba and Saskatchewan. The $7 to $8 land could be resold to the general public at $40 to $60. I know areas worth easily $100, near Moose Jaw, near Regina, near Calgary and Edmonton and Winnipeg. On her capital investment she can't lose. She gets it all back in yearly payments. She could resell tomorrow these mortgaged lands at 300% above what the soldiers paid. And the general returns to the country are over 100% a year.

That is why I say the Soldier Settlement scheme is one of the biggest pieces of constructive legislation ever enacted in Canada. That is why I hope it will be expanded into Canada's big future National Policy of transforming Immigration into Colonization.

Now lest you think me too optimistic, I want to set down some individual cases of the Soldier Settlers. I shall expand these cases in a future chapter on foreign War Brides Making Good; but these cases should quiet fears.

I think of two boys with adjoining quarter sections. They put in 80 acres of alfalfa on cleared brush land. They cut four tons to the acre in July of 1920, or 320 tons. They sold that loose on the load at $32 a ton. They paid $20 for their land.

I think of a man of thirty-five. He had saved his four years' wages as well as individual allowance to himself, wife and child for a broken elbow or something. He bought a quarter section outright, and borrowed from the Board to buy the adjoining quarter section. In August of 1920, he cut 40 bushels to the acre of wheat on 240 acres, and sold that wheat at $2 plus a bushel.

I think of a boy of twenty-two, who had lied about his age to go to the front. He was the son of a farmer

and a whale to work. He bought 160 acres with his savings and another with the Soldier Settlement loan. He cut 35 bushels of wheat and 80 of oats to the acre, 200 in wheat, 80 in oats in 1920. He was putting in the foundation for a furnace-heated house. He had fallen in love with a girl in England. He wanted her to come to as good a home as she left.

I think of a French-Canadian boy with a frontage on a lake. He had 140 acres in the best wheat I have ever seen. It was waist high, almost ripe and weedless.

In four months I have visited literally thousands of Soldier Settlement farms, and in each district I have asked to be shown three types—the very best, the very worst, the medium—the kind the boys call "a good dud that won't go off."

Now for some medium cases: I think of an English cockney with a fine family of boys and a thrifty wife but a no-good fiddling man, who will always break machinery and leave it lying round in the rain. The wife probably knows his character; for she would not let him go into wheat farming, though they had the best wheat land bought at $18 an acre. She probably knew that a man, who habitually gets up at 9 a.m. and is always coming in to have a jammed finger or bruised toe bound up on the ground of his own inefficiency—would be beaten in the race against early frost, or late spring; but she and the boys could milk; so they were selling $18 worth of cream to the creamery weekly; and in a few years will have a herd of twenty-five milkers, when the boys will be big enough to work a wheat farm properly, while dad spins bigger and bigger yarns as the years go on of his prowess killing Germans. He must have been in the gas brigade.

I think of another man, who had a perfect mania for horses; he had bought in a purely wheat area. He had never had money for horses before; so he now went horse mad, and bought a stallion and went out on the road, and planted only enough oats to feed his horses. He had bought at $18 an acre. If he had cleared it, he could have resold at $60. He always kept the idea in his head as a door of escape if the horses failed. Meanwhile, his wife and family are in rags. The work horses and machinery stand idle. If he meets his payments, he will have to sell his stallion, which may bring him to his senses and set him wheat farming, for which his land is purely adapted.

I think of another, what the inspector called "an intelligent dud," full of theory but slow in motion. He was going in for hay on wheat land worth $60 if it had been cleared, because "hay was easiest, and we only live once and he didn't intend to slave." If he lost out, or hay does not drop to $10, his sons will probably shoulder his neglected opportunities and "carry on."

Then there are the tractor crazy lads, who ran motor lorries in the War and found it easy, and load themselves with debt to buy tractors—before they had big enough areas for tractor operations—and neglected their own farms to clear their neighbors' brush lands at $12 an acre, which works well long as the tractor doesn't buck up, or spring a bolt, or the brush lands last to be cleared. Many will get their tractors half paid when the brush land jobs round will be finished, and they will get only $5 to $6 an acre for open land. Then they will have to sell their tractor to meet their Soldier Settlement Board payments.

Then there are two areas on the prairie, where the Soldier Settlements were hailed out, or could not get their crop in in time to meet 1920 payments. They are doing provincial road work at $8 a day with their teams, and will meet their payments all right.

The total failures, of which there are less than 2%, may be ascribed to (1) illness, (2) deaths in the family, (3) bootlegging whiskey, (4) sheer laziness—"the government has to see me through," one man said, who would not haul his seed wheat because it was cold. The sooner they are off the land the better. The pity is they can't be drafted back in the regular army, where army discipline might make a workable man out of mud.

If, with this record before you, you still doubt the success of the Soldier Settlement scheme as a land colonization organization, your pessimism is incurable.

There are changes that might widen the organization to take in all colonization. I shall deal with these in my next.

CHAPTER X

Changes To Be Made To Widen The Soldier Settlement To Include Other Men, Imperial Veterans, Nurses, General Settlers, Widows.

To use the mechanism of the Soldier Settlement Board to widen Immigration into a National Policy of Colonization might necessitate changes in the original conception of the scheme. But isn't it worth while? Isn't it worth while making almost any changes to retain 800,000 settlers, who came to the country, and then left it? Isn't it bad business—a short-sighted National Policy—to spend money to induce 800,000 people to come to this country, and then to lose them?

The Soldier Settlement under the first careful selection of Dr. Black, and later of Major Barnett, who knows the prairie provinces from A to Z, now has a personnel of local men, who know every acre of the local ground, who know land from sand, gumbo from alkali, swamp that is hard to drain from brush that costs only $12 an acre to clear and break. Without disturbing the organization of Immigration, could not this staff be used in a new policy of Colonization? Our past has demonstrated that half the efforts of Immigration are lost without the supplementary efforts of Colonization.

I do not say that the general settler should be given the same terms as the returned soldier, though that would be wiser than losing settlers at the rate of 800,000

in eighteen to twenty-two years; and though our terms to Soldier Settlers are no more generous than the Jewish Agricultural Society to its settlers in the United States, or the U. S. Federal Loan to farmers, both of which loan up to $10,000, where the Soldier Settlement Board loans only up to $7,500.

For instance, I think of the case of a young Imperial soldier. Now the Soldier Settlement Board require that young Imperial soldiers shall have had experience farming, which is right. We have had enough young Imperialists with high hopes and no experience come to grief financially in Canada; but the Board also requires that Imperial soldiers shall have at least £200 to lay down in advance as a guarantee they will stick, not just buy land and re-sell if they get sick of it. But £200 is a lot more to an English boy than to a Canadian boy. Wages in the British Isles are lower. It takes longer to get a grub stake of $1,000 there than $2,000 here. The Imperial soldier with a grub stake of $1,000 may go elsewhere, or drift into small business.

The boy in question drifted into one of the Western offices of the Soldier Settlement Board. He had had experience as a farmer; but he hadn't the $1,000, not all of it; so the Soldier Settlement Board under an Ottawa ruling couldn't handle him. They directed him to Dominion Land officials. The Dominion Land officials gave him the usual maps showing where lands could still be pre-empted for nothing but the fee and homestead duties; but these lands were either far out—and the boy did not wish to take his bride so far afield—or they were not good lands. The boy knocked about wasting time and money. He was friendless and would

have welcomed a chance to settle among other soldiers. The I.W.W. cockney agitators gathered round him and "knocked" the Soldier Settlement Board as "Civil Service graft." A bit confused by his cold reception by the Soldier Settlement Board and the Dominion Land officials and the queer company where he found himself, he finally drifted into the hands, or rather hungry maws of the land sharks, who took the remainder of his money without a qualm, and sold him land which would never have passed muster with the Settlement Board. He now has to go deeper in debt for equipment and horses, which were also sold to him at too high figures. He may pull through by taking a road job or lumber job at $8 a day; but if he does, he may abandon the farm for general jobbing or the lumber mill; and it is land settlers Canada needs.

I think of another case—an English girl of good birth and dairy training. She had done dairy work in England straight through the War. She had heard of Canadian nurses being open for Soldier Settlement land, but found on reaching Canada that she was not qualified for such land. Nor could she homestead as in the United States. Not to be beaten, she advertised for a job on a dairy farm. She received only one answer—from an ancient and decrepit bachelor, who said he was paralyzed in his feet, but if she would milk his cows and care for the calves, he would go half and half on creamery receipts; but unfortunately he had only one room in his shanty; but he promised if she would come, he would "hang a curtain *acrost* it in the middle." She posted the answer to her people in England as a sample of Canada's ideas of propriety and took a job as chambermaid in a hotel at $35 a month, till she earned

enough to pay her passage back to England, with such a report of Canada as we may guess.

If she had been piloted right, she would probably have homesteaded for herself, induced some relative or friend to join her, and ultimately have married a Canadian farmer. "But," she said naively, "I didn't come out to marry a meal ticket. If I have to do that, I am going to do it at home."

And yet nurses are making good on Soldier Settlement lands. Widows of soldiers are making good; and a million women like her could make good and create Canadian homes in the West and add to those homes an atmosphere of comfort and permanency which they sadly lack. They would transform shacks and shanties into homes, and homesick English boys into contented Canadians.

I think of another young English girl, each of whose brothers got 160 acres, as they had served in the Canadian forces. In all, they had 960 acres; but last year their area suffered drought. They could not subsist on milk checks, for they had not the feed for winter stock; so she hurried to town, took a job in a telephone office, and becoming a local supervisor in Regina, earned enough to send home to the brothers and mother enough to keep the larder supplied for the lean year. If that girl did not earn a Soldier Settlement farm, I don't know who did. She loved the free Canadian life so heartily that she declared only starvation would drive them out. I should like to see her 160 acres next to her brothers'. You would anchor her and her children's children forever.

I think of yet another case—a young English lad and his wife. War taxes had compelled them to sell every-

thing in England. They were frankly poor. They had bought a good 640 acres; but that young wife had two babies. The oldest was two years old. She had no help. It is a foregone conclusion if there are three babies next year, that young girl's health may break. Yet if she could get an Imperial Veteran, who served in her husband's regiment, on a quarter section next to theirs, she would have the help needed; and they would stick; but her husband cannot afford to pay the $1,000 down required of an Imperial Veteran; and the Soldier Settlement does not permit the local directors latitude in such cases.

I could give hundreds of such examples, where Canada is permitting good English settlers to drift through her hands, back to the Home Land disgruntled, "Wacs," men, women, young nobility, mechanics who want to own land, gentlemen who are serving time in hotels, office people who would be fruit farmers, or dairy farmers, or poultry raisers if they could; and in British Columbia, you can build a small log cabin of three rooms for $100, and a chicken or cow house for another $100; and that is a very small grub-stake to anchor down a family of settlers in a province that boasts of a population of only 500,000 in an area twice as large as Germany.

Keep in mind the fact that every successful land settler is worth $700 a year in freight to the railroads, and $1,000 a year in output to the nation's trade at wages of $3 a day.

Figures on the Soldier Settlement work are hard to give up to date, for they are changing every day with increased loans and increased applications for land, and changes in the plans of applicants, who may fulfil all

qualifications required and then take up some other line of business pending clearing up of titles; but at time of writing loans for land are limited to $4,500 on a quarter section, which must be approved by the local inspectors as worth the price to be paid and capable of producing crops to repay the loan. This rules out all poor land and bad land, all land on which there is faulty title owing to mortgages uncleared or defaulted interest. The Board also is averse to loaning on land not within fifteen miles of shipping points, though I do not think this ruling has affected Peace River land up to the present. In Peace River are some fine Soldier Settlements, of which I shall tell later; for here the returned soldier can homestead 160 acres and buy an adjoining 160, giving him a half section, so he can benefit from the increased value to lands from his own improvements. The soldier must pay down $400 in advance. This does not seem to be a handicap in a country where farm labour commands from $70 to $100 a month and board, and miners earn from $8 to $33 a day, and track workers $5 a day, and saw mill men from $5 to $10 a day. If a boy cannot save $400 to pay down, there is something the matter with him. The $400 is a guarantee that he means business and is not just a temporary squatter intending to resell soon as values go up. He must satisfy the Board that he intends to make farming his life work, that he is physically fit, resourceful and thrifty. He must have had experience as a farmer. If he lacks experience, he will be given training on an Experimental Farm, or on a practical farm, and paid while he is taking his training; but his record in training must attest he is fit. He is taught to harness, hitch, drive, plow, seed and feed.

In addition to the $4,500 for land, he will be loaned $2,000 for stock and implements; and when you consider that a team of horses in the West costs from $400 to $600, and a cow from $80 to $150, and a binder from $175 on the prairie to $350 in Peace River, and a wagon from $100 up, and other machinery in proportion, this total of $2,000 does not seem excessive. There is just one point here that does not show on paper records but does in fact. Having loaned $2,000 for stock and equipment, the Board requires the man to use his stock and equipment on his farm, and not for working off his farm. This seems wise, but does not always work out. For instance, in the mining sections of Alberta—where the public roads are notoriously bad and in need of teamsters at $8.50 to $10 a day—I know of eight soldier settlers who got their land too late to crop this year. The Board insisted the men should prepare their land for cropping for next year. It was brush land and would require $10 to $12 an acre to clear. The men didn't see how clearing that land would pay this year's instalments due to the Board, or indeed how they would pay for the tractor brush work. The Board practically said—"Clear it yourselves with your own teams"; but team work on brush lands would hardly clear 30 to 40 acres a year. Whereas, a good tractor with a break beam plow clears out 3 to 4 acres a day, or a whole quarter section in two months at a cost of $1,600 to $1,800. The eight men answered that by road work at $10 a day, they could earn enough to pay for the clearing of their land and their first payment in six or seven months. The Board, on the other hand, had had experience of some men, who did that in the Lake Winnipeg region, Manitoba, who got so deeply in debt to the tractor clearer they could

not get out. The eight boys in Alberta had gone on the road with their teams in defiance of the ruling; and the Board was threatening to take back their land and place other men on it. It seems that this is a case where the ruling ought to be left to the discretion of the local supervisor on the spot. He knows the bona fide intentions and circumstances of his men. The Board at Ottawa can't. In the Manitoba case, the men were rash spenders and had gone heedlessly ahead. In the Alberta case, the men were a thrifty lot, all friends out of one regiment, who wanted to keep their settlement together. If they had not gone out to earn money to meet the payment, they would have had to chance two contingencies: (1) the revocation of their land; (2) the Board carrying them for the default of their first year's payment. Personally, I think defaulted payments are a bad beginning for any farm.

In addition to land and equipment, the Board grants a man $1,000 for buildings. In British Columbia, where log cabins can be got for the cutting, this is ample. In the prairie provinces, where lumber costs up to $120 a thousand, this is scant enough. The interest charge is 5%. The term for repayment is twenty-six years, the instalments running $326.19 for the second and third years, $551.79 for the fourth, fifth, sixth and seventh years, then $326.19 to the twenty-sixth year—deadly easy if the settler has cows and crops, not so easy if he gets located on dry land, that fails of feed as some areas did last year, or if the frost or drought plays tricks with his yield as they have in several sections this year. The hopeful feature is, of course, that there is not a section in Canada to-day where a settler at a pinch—and who in Canada has not known a pinch in the past ten years?—

cannot turn out and earn from $5 to $10 a day teaming, chopping, railroading, lumbering, in order to meet his payments. If it is a case of the Board carrying a settler through a bad year for defaulted payments, or letting him turn out and earn money to meet them by outside work, it seems to me the latter policy would be the wise one. I know families in Manitoba to-day, whose net returns are over $10,000 a year, who would have been frosted out, or droughted out, or hailed out in the early years, if they and their sons had not turned in on C.P.R. navvy work at $1.50 a day. To-day navvy work runs at $5 to $6.

Up to the end of 1920, 27,000 men had actually been placed on land, 65,000 applicants had been approved and were being placed fast as good land could be found and titles cleared up, and some 87 million dollars have been disbursed. Estimate freight returns at $700 a farm, and productive returns in labour and crops at $1,000 a year, and the Soldier Settlement Board is one of the best national investments Canada ever made. It is going to return to the country each year as much as Canada has spent in capital investment. Canada can not lose; but how much is the overhead costing. There are 17 Soldier Settlemnt officers, 914 employees, 613 men, 301 women. The salaries up to April ran $928,070.11, less than .02%. Ten per cent. would be cheap overhead for such work. Canada is paying .02%. But I think it will be a penny wise pound foolish policy to continue to pay as low an overhead for such a remunerative National investment. There is not a man in the Soldier Settlement Board to-day who could not make many times his present income by going out and farming for himself, and this applies just as much to

the director at $6,000 a year as to the local farm agents at $1,500. If these men can produce returns to Canada of $65 millions a year on a primary investment of $50 millions, or even $100 millions, you can wager the big corporations, the trust and loans, the farm loans, the industrial bureaus of the big railroads, the big private farm land companies are not going to leave them in their present jobs. It will be the story of Sir Thomas White and McAdoo and Gouin over again. Sir Thomas White's grateful country paid him $7,000 a year. I know one private corporation that wanted him at $40,000. McAdoo got $12,000 a year from his country. A private corporation got him at $100,000. Franklin Lane served the United States, though he was an ex-Canadian, at $12,000 a year. An oil corporation wooed him away at $50,000.

There comes a time, as I have said elsewhere, when patriotism won't pay debts, or satisfy a sheriff's warrants.

It would pay Canada to conscript her brainiest men for National Service just now—her Shaughnessys, her Whites, her Siftons, her Gouins—pay them all they are worth, then courtmartial and shoot them if they fail; but big men, who make good on their own jobs, don't fail on National jobs; and little men, who do fail on their own jobs, are poor chaps to entrust Canada's $2 billion a year National job to. Am I wrong in that deduction? Don't we get in life just what we pay for? And if we pay our biggest men in National life a clerk's salary and cesspool slime, don't we just get back from them what we pay them? I do not think even MacKenzie King or the most ardent economy man on the Cross Benches will answer this argument; for was it not one of the

ablest farmers among the Cross Benchers who resigned a $7,000 a year Cabinet job to take a $15,000 a year grain growers' job? The curse of American politics to-day is cheap men. I hope it will never be the curse of Canadian politics. Canada to-day has as big imperial problems to solve as imperial statesmen; and the Imperial Cabinet Ministers draw remuneration of $25,000 to $50,000 a year. They have no temptations to graft, and they have no temptation to desert public service for private. I have always held that when Canada lost her Jim Hills and her Graham Bells and her Franklin Lanes to the United States, the loss was hers, not theirs. They built up the land to which they were forced to go. We needed them to build up here; and never did we need men more than we do now—men who have vision to foresee the future, and translate that vision into fact. Keep your big men; but don't attach sheriff's warrants to their doors, and then publish broadcast that they have not money to pay their income tax.

One of the tenderest and best memories I shall carry away of the Soldier Settlement is of the War Brides Who Are Making Good—largely thanks to Jean Muldrew of the Domestic Branch, whose work deserves a series all by itself. Such a funny series it would be too. Have you ever thought what it would mean to have the Stork coming along sixty miles from a doctor, or a hospital? Pretty nearly enough to discourage the Stork business, if either the woman or the child come maimed through the process. Have you ever thought what it would mean to have a bunch of kiddies, whom you loved so hard it gave you a pain from sheer joy, with no food to fill those kiddies, or clothes to cover them? Have you ever thought what it means to go out

and bake bread, that wouldn't kill a cat at long range throw, when you didn't know as much about baking bread as making a Mexican tomale? Civilization, with its factory readymades for food and clothes, has bred a whole generation of people—both men and women—who are terribly helpless when thrown back on primitive requirements of stomachs and bodies 100 miles away from clothing and food shops. That has been Jean Muldrew's job on the Soldier Settlement Board; and she ought to be compelled to tell some of her experiences herself. They are so shot through and through with the gold sheen of hope and love conquering all difficulties—even the hardest difficulty of all—loneliness, ennui, blue-gray, eventless days.

"What in the world did you ride that bicycle down hill at such breakneck speed for?" a husband asked a woman friend of mine, in the early lonely days on the prairie, when the trails were narrow as a footpath and lumpy as a hard-boiled egg.

"Because I am so sick of sameness, I had to do something, break my neck, or bust," she answered quite truthfully.

I recall a little square box-like home near Saskatoon. It was trim as a doll's house, newly painted and not much larger, built by their own hands, the Scotch bride and the Canadian soldier boy.

"There is a War Bride in there," said my motor guide.

War Bride? I called up pictures portrayed chiefly by city writers, who had not gone out afield to see how it worked. She would have a chalky face—lavendar powder—trenched with tears of self pity. She would have tawdry street finery; for had we not been told the

wrong kind of girls that roped our innocent farm boys in, both on the highways and in the by-ways of wicked European cities; though when one Canadian mother I know got the fidgets over such dire fears for her darling of twenty-two, and took it to the Lord in prayer, the first verse she turned up in the Bible after an agony on her knees for fear a Parisian flapper had "got" him, was to the effect—"Why should be think evil of the young man?"; and she at once cabled him $200 as a conscience gift to square her suspicions with her own soul. (It turned out he had wanted the $200 for officer's uniform —he had just got a promotion.)

"Let us go in and see the War Bride," I suggested.

"You bet," answered the local supervisor; "if all the Canadians made as good as the plucky War Brides, I'd have no fear for the Soldier Settlement Board. It's the girls who married a no-good "dud" in uniform I'm sorry for. A uniform didn't necessarily mean a man; and some of the girls married uniforms."

So in we went; but the couple were nowhere to be seen. The house was as spick and span inside as out—not a chair, not a dish towel out of order. The horses came nosing up to the back door for us to pet them. So did a Guernsey cow; and the calf insisted on cultivating intimate terms with one of my fingers. Then a puppy collie smelt the odour of my pet dog on my clothes, and insisted on being picked up, when he nearly wagged all the tail he had off, and insisted on kissing me.

"This couple are evidently newly married," I said; "but I draw the line at the moist love of this pup. Anyway, you can safely wager your job this couple are good

to their animals. Even the hens—" But just then we spied them. It was strawberry season and just at sunset. They were out berrying together, and he passing her his handfuls; and they were laughing with the sheer fun of life at full tide before they saw us.

"Lonely?" she answered. "What would I be lonely for? I was never so happy and free in my life. I never knew what it was to live before. I only existed. I can do anything on the farm now, and even if the heat this week has cut our crop in half, we'll have oats and hay enough for the stock; and the milk check gives us $20 a week. That will carry us over the top; and next year, perhaps, we can afford the next quarter section."

You see their idea was to have a big farm for a future family.

She told me her husband had been teaching her to shoot, so she would never be nervous and could protect the stock from coyotes if ever he were away and she was left alone. There were about ten soldier settlers in this settlement, and they had arranged weekly community meetings for the year.

In another settlement I found a little French bride. Her husband had just died—"gassed" lungs and a hemorrhage. Rather than lose this plucky little soul to the community—she was expecting an heir—the other Soldier Settlement boys had promised the supervisor they would care for her crops of hay and oats till a brother came out from France to work for her, if the Board would leave her on the land. She had the money ready to pay the charges at the local hospital when her illness would come on—good luck to her, the little bundle of pluck!

I think of another case of an English doctor and his wife, who had always craved outdoor life and never had it till they came to Canada. They had all their crops in. They had had money enough to buy 640 acres as well as the 160 under the Soldier Settlement Board; and had tractor-cleared 300 or 400 acres in wheat. Machinery was all ready for harvesting; and they were out wolf-hunting together. She could ride as a young elk runs. Was she happy? Was she? You couldn't drag them to town. Her uniform housed a man all right.

Wainwright and the Bob Tail Indian Reserve—the former East of Edmonton, the latter South—had not had one single case of salvage or failure. That is a good record. I doubt if that is equalled in any other colonization scheme in Canada from the imported brides of Old Quebec in the 1600's, to Colonel Talbot in Western Ontario, or John Galt, down to modern colonization plans in the West.

The Bob Tail Indian Reserve had practically been abandoned by the Indians. They had moved North to hunting grounds that yielded them bigger pay in trapping than farming the Reserve did in crops and stock; for the Indian is primarily a hunter, and will always remain one if he can; and the prices of furs to-day—though Canada gets only one-third of the price for her furs that she should—give a good hunter from $1,000 to $2,000 a year, which is big money to an Indian with his primitive wants. There is no poverty, no want, no raggedness, among Canadian Indians to-day. If they don't own motor cars, it is because there are not motor trails to the hunting grounds. And they do own bank accounts, and fat credits with the old fur companies, who no longer monopolize the field, but bid prices up

against one another. Anyway, the Bob Tail Indian Reserve had been practically abandoned when the Soldier Settlement Board took it over. It is the richest of rich prairie land, slightly brush grown, which acts as a shelter for stock, with big timber on the bank of the amber waters of a river that never goes dry. Park-like areas are all ready for the plow; and clearing here will cost not more than $5 to $7 an acre, where heavier brush lands cost $10 to $12. Also, to the East slightly, are towns and a railroad, giving a market for milk, butter, eggs and poultry. If this land had been thrown open for general settlement, it would have been raided by the speculators and resold in a few years at $60 to $100 an acre; for the crops are waist high and run 40 bushels to the acre for wheat, 60 to 80 for oats. The dollar can deflate all it likes, when land produces those averages, it is going to stay high in value. The winters are severe in spots, but the chinook winds temper the winters and the hills shelter from cold winds. I could tell of many such Soldier Settlements; but the Bob Tail is a good type; and I predict the men who have gone in there will be worth $10,000 to $30,000 clear in a few years, which equals the best professional and business returns of the towns. The returned men were permitted to buy this land at $8 to $18 an acre, in all 6,500 acres of it. In a few months from the opening, not a quarter section was left unfilled.

One settler's home will give a fairly good idea of all. The man had been an English carpenter before the War. He had always craved home acres of his own, but lacked the nerve to take the leap till he came back from the War with a shattered elbow and a leg full of shrapnel wounds. His wife was that type of thrifty

English woman, who acts as manufacturer in the home. She could cook. She could make jam. She could raise chickens and turkeys and can vegetables and meat. They had a boy of thirteen, whom they wished to leave in life better than they had begun. With their combined savings, wounded allowance and wife's allowance during the War, they bought 160 acres at $8 an acre. With the Soldier Settlement Board loan they bought another 160 acres. The river frontage ran along the face of the farm. They had hand-seeded two acres to vegetables, and set families of young chikens, geese and turkeys enough going to feed the family for the winter. Then they were fattening five hogs for winter cash, and depended on the milk checks of five cows to meet their payments. The milk checks would average $20 a week year in and year out. While the crops were ripening, they had built sanitary barn, cement foundation, for fourteen cows and four horses. They were living in a shanty and a tent for the summer, realizing a log cabin could be rushed up for the winter; but stock to keep up the milk checks had to have warm housing by October. Food they will have in plenty for a year. The milk checks will give them $700 more than their payments; and that $700 will build their winter house. When the crop comes on, it will be net. This year it will be a small crop; for the settlers did not come on the Bob Tail Reserve till April and May; and the hot weather was hard on growth of late planting. Nothing short of death can defeat this settlement's success and prosperity. Where the shattered elbow could not hoist the scantling for building, the wife and son helped. This land will sell for $100 an acre in five years. Do you know any way in which a returned soldier could earn a permanent com-

petency of $30,000 in five years? And yet, I could tell of many such successes, with an average of perhaps 2% failures.

Could the Soldier Settlement Scheme of colonization be applied to all Canadian Immigration, we should not have lost 800,000 potential settlers in eighteen to twenty-two years. We should have no rail deficit. We should have no fear of our dollar ever deflating; for even if our currency is over expanded by three times—as all the world's currency is to-day—our Trade output would equal our money in circulation, and when Trade equals Money there is no deflation.

CHAPTER XI.

THROWING A MONKEY WRENCH IN NATIONAL DEVELOPMENT. IF CANADA HAS OIL AND POTASH AND TAR SAND DEPOSITS AND WELSH ADMIRALTY ANTHRACITE COAL, WHY DOESN'T FOREIGN CAPITAL COME IN AND DEVELOP IT? LOCKING OUR NATIONAL RESOURCES UP SO TIGHTLY THEY DON'T YIELD RETURNS.

I am writing these words at the end of August.

In the month of May I set down the opinion of the great fuel experts of the world—that the next great oil find, the next great oil field, the next great oil stampede—would be in Canada; and that great oil finds would be worth to Canada $300 millions in yearly royalties—as much as her wheat crop—and would make Canada the great fuel base of America for the Imperial and American Navies, as well as merchant marines of the world; for the simple reason that the United States is to-day using 100 million barrels a year more than the wells of the United States are producing, and Mexico can no longer be regarded as an exhaustless reservoir of oil. Mexican producers are being harassed by too much confiscatory legislation, and the big wells in Mexico are not held in storage by sands, but are basins of pure oil that exhaust in ten years. With confiscatory legislation, and taxes that take 33% of proceeds, and revolutions that threaten new confiscatory forms of decrees every year—the days of the Mexican oil fields as liquid seas of exhaustless gold are over. The next big oil field would

be Canada. Big American oil operators did not say "If" we find oil in Canada. They said, "When the oil, which we know is there, is found."

I know that the editor of a Canadian magazine where this prediction appeared wanted to believe the big fuel engineers were right; but it seemed too fantastically good to be true, or to be within the realm of the immediately probable. He prefaced my article with a saving clause "if," "perhaps," "maybe"—true to the Canadian form of being cautious always, safe rather than sorry. "If it were only true; but then, you know," and so on. We have had some boom hopes ditched in Canada; and the coming down was hard. The point of contact was sore. "Hope deferred maketh the heart sick." The War and the aftermath of the War had been deferring some of our hopes till our optimism resembled slightly the reflection of a face on the wrong side of a table spoon.

Well, I would recommend turning up the other side of that spoon.

I wrote these predictions in May. It is now late in August. Eight outfits have been drilling in the North; and they have struck oil. *They have struck oil just where the experts said they would—along the wave of the coast line.* They have struck it in the Arctic Circle.

It does not matter much whether the drillers follow the wave of the coast line East of the Rockies, West of the Rockies, North of the Arctic Divide, South of the hinterlands. The point is—they expected the find of oil along the wave of the Coast Line, and they found it as they expected it; and where eight drilling outfits have operated this year, a hundred will operate next year.

To be sure, it is *only* 1,500 barrels a day. I love

Canada's "only's." They are so safe; but then, they struck 25 barrels at *only* 130 feet; and the big gushers come at 1,800 to 2,800 feet. This has been the record of the Cushing Pool. It has also been the record of the best wells in Mexico and Texas. The point is—they have found the oil, which science—and the old trappers—all knew was there. Get that fact hard! ***Canada has the oil.*** Canada holds the naval and merchant-marine key of America. Edmonton in your generation and mine will be a second Pittsburg. Great tankers will float out from Prince Rupert to supply the Orient. Tank cars will become as common across our prairies as grain cars. Our National Railways will become oil burners at a saving of 3 to 1, in wages and fuel, and will not set fire to adjoining forests with sparks from lignite and bituminous coals. Lignite can be utilized for collodial coal and oil processes, that will reduce the cost of fuel to the prairie householders. With oil in the North, you have the oil for engine power to haul the tank cars out; and building railroads in the North on a tie bed that is adamant frozen rock seven months a year is an easy proposition compared to building switch backs up 10,000 feet of mountains in South America and down 10,000 feet of mountains to the sea. Storage isn't going to be such an expensive thing in the North, nor haulage either. Arctic tankers will do the job in the summer, rail haul over frozen road beds in the winter. Alberta can laugh now at her heavy municipal and provincial indebtedness. The men, who thought they were "broke" putting in Northern railroads that began somewhere and ended nowhere, will find they are not "broke," "only bent."

If all this is true—and if it isn't, throw the facts at

me—why won't our North boom ahead at express train speed? Because our fool laws throw a monkey wrench in our national development. They lock our national resources up so tightly that no body is getting the benefit of them.

Before going on with that, I want to take up "only *25* barrels a day." I know another well in Peace River that "gave *only* 20 for *only* a few days at *only* 700 feet," and then spewed up salt water in sheer disgust; for the well ought to have gone on down to 2,000; and the company hadn't the capital to go on. I know another well near Wainwright that did ditto, *only* it was *only* 9 barrels. No; I don't refer to the well down which some scoundrel promoters poured gasoline and then sold a million and a half dollars of worthless oil stocks to gullible investors, for which the said gentry are now serving time in a Canadian penitentiary. I refer to honest, made-in-God's-laboratory-oil.

Don't be discouraged by these reports—"" 25 *only* barrels a day. The average for the best wells in Pennsylvania to-day is nearer 9 than 25, and the average for all the wells in the United States nearer to ½ a barrel than a whole barrel. It is the big wells bring the wealth to a nation; and here is the way the big wells have been found. Cecil Rhodes spent $450,000 drilling for oil in Mexico, and didn't find it. Mexico was so sure there was no oil that her geologists were furious when Doheny and Canfield of California went in and proved there was. They said it would hurt Mexico's credit to have a false boom and then a boomerang. Doheny and Canfield went into Mexico. They saw the pitch beds. They stuck a rail into them and stirred the fetid muskegs up. The lower end of the pole stank of petroleum, which

science said had seeped away and didn't exist, just as from certain specimens I have from our North emanate such an oil smell you can scent it across a room. Doheny and Canfield smiled. They got a lawyer to buy up a lot of old Spanish land titles, subsoil products included. The Spanish seignors thought "the gringoes crazy," and said so. Mexico's oil experts put their condemnation of Doheny and Canfield in State Reports. But Doheny and Canfield went ahead and bought up worthless jungle lands at $2.50 to $1 an acre; and the hacienda owners chuckled how they were "putting one over on the gringoes." (They have since called those "gringoes" "predatory interests"; and I believe one Bolshevik bishop in the United States has ascribed every revolution in Mexico for ten years to oil; and though each revolution as it has come up on top has enacted worse and worse decrees against those "predatory gringoes." There is nothing like hoping for the worst and being good about it and unctuous and obstinate, especially in oil.) Doheny and Canleld bought up first 450,000 acres, then 150,000 acres before they had produced a barrel of oil. Both men were past fifty years of age. Each had cleaned up two or three millions in oil in California. If I had done that and were past fifty years of age, I don't think I should have had the courage to throw it in a jungle, where everybody said there was no oil. But they did. Then they began to drill; and the jungle climate was worse than the Arctic. Men died of tropical pests like flies. Ideal housing conditions for workers had to be created in a jungle of tropical diseases. It didn't take long for those California millions to evaporate, or rather to disappear down the drilling shafts. Motor roads had to be built

for hundreds of miles in a tangle that resembled the Orinoco. "I'll have a motor road through here in four years," said Doheny; and the natives thought he had been touched by sun stroke.

The lawyer, who got the title deeds through, warned the Americans they were throwing away their money.

Then they began drilling. I think it was 4 barrels they got at first; but being Americans, they didn't say "only 4." Then they got 25.

Then a few thousand barrels a day, when finally—I thing it was the fourth year—came the great gushers.

Now the point to observe is this. If Doheny and Canfield had not had areas of 450,000 and 150,000 acres, they could not have afforded to go on throwing millions in black tar holes; for it cost the most of their California millions before they struck the gushers of 100,000 a day; and gushers of 250,000 a day were not worth a cent without pipe lines to convey the oil; and the pipe lines necessitated right of way through the jungle and motor roads. And the pipe lines costing two and three millions were not worth a cent without storage tanks; and storage tanks were not worth a cent without sea terminals, and tank cars, and tank steamers. They had to go ahead and develop as fast as the gushers came in, before one barrel of oil had been marketed, and one partner wrote to Doheny—"a little more of such prosperity will bankrupt us." Long before the oil reached seaboard, Doheny and Canfield had to form a stock company and assess friends to keep providing funds. Then they had to go to banks and to float bonds —to keep providing funds; but when they went to the banks, they had that collateral security of 600,000 acres to put up to get the money; so they got it, though stock

of a cash par value of $100 fell to $37. It has since sold for $260. What if they had *only* a few thousand acres to offer as collateral security to float bonds? They would have been stalled at "*only* 25 barrels" a day; and all the good people, who had been devoutly hoping for the worst, would have smiled that superior smile and said, "I told you so: four flushers; boomsters: nothing doing." Didn't Rhodes say so? He knew."

Now come back to Canada's laws.

It is right for Canada to refuse to deed away her heritage for nothing to big foreign corporations, that might blanket vast claims and then leave them undeveloped for years. It was natural to want to preserve for Canada a big slice of profits from her seas of liquid gold; but has she done it in the best way? If you strangle a goose, how do you purpose getting its golden eggs? Canada's laws, up to 1921, permitted coordination of oil claims only to some 12,000 acres. On this, development had to begin within a year. From the staking of the claim, royalties of 25 to 50c an acre were charged. This before any oil has been found, presumably to force development and prevent undeveloped blanketing—which is good; but suppose a dozen groups got a dozen or two areas of 12,000 acres, and by a gentlemanly understanding agreed to hold together? They were paying royalties of $36,000 to $50,000 a year before they found any oil; and the finding of the oil would probably cost $100,000 a well sunk, or a million before the big producer was found. These were the Canadian laws up to 1921. I know one Texas company that has bankrupted itself that way. It sank 100 wells at $100,000 each because its first well brought in 25,000 barrels a day. The others brought in 4 more

or less; and by the time the million acres had been tested and found to be low producers, the 25,000 berrels had fallen to 4. They had leased that land for a term of years at 25c an acre. You can figure up the loss yourself. The whole area slumped in consequence of that one company's failure.[1]

We'll suppose the companies grouped in Canada have spent a million on wells, and are paying acre royalties of $50,000 a year on small production, hoping for the big gushers. *They can't sell stock to the public yet. Note well and paste it in your hat. Till they find a gusher, such sale would be a gamble and a swindle;* so they go to the banks to issue bonds, or borrow. What security have they to offer? A small area not yet producing in pay quantities, on which they are paying big royalties because they have small producers. The banks say, "Nothing doing." The small developer is stalled. Only the big corporations can go ahead; and Canada's laws, which were designed to keep oil areas for small independent producers, were hindering that very class and making it impossible for any group to go ahead but the big powerful groups, who were in a position to go ahead anyway. The largest co-ordination of groups I know of in Canada was 9,000 acres, though promoters are now going round getting oil leases from farmers on the basis of a future royalty if oil is found; and the land sold by one big company from henceforth

(1) The reasons Canada gives for the non-development of her oil lands would be laughable if they were not a tragedy. Officials told me the big companies were satisfied with Canada's laws. Yet one company having 400,000 acres in lease and sub-leases told me they would not put down another well under the present regulations, and another company controlling directly and indirectly 660,000 acres are at time of writing on the verge of quitting Canada. The reason given is, one of the wells "fell to 4 bbls. a day." The well is not yet down beyond 800 feet, and is cased down. 4 bbls. a day did not prevent this company going ahead in Mexico and Wyoming. The truth is, it is not going "to back a future policy of naturalizing"; so development stands stock still.

reserves oil rights, which any buyer is a fool to permit. If he buys the land and pays its price, he ought to have all **out** of it there is **in** it. And I think the farmers, who are signing away sub-soil leases for a song, are splitting a probable future profit with middlemen, who are not paying them figures commensurate with returns if oil is found. Now is the time to waken up, not afterwards; for a lot of things are happening under the surface of promoters' operations as well as under the surface of the driller's point; and Canadian farmers should know that if oil is struck in their localities, it might mean a sixth and on an eighth returns, incomes of $100,000 a year to them for life. I see no reason for Canadian farmers signing away half that income to middlemen, who are doing nothing as to drilling or anything else but fastening themselves like parasites to the real owners of the land and the real developers of the oil. In the Osage Indian Reserves of Oklahoma, Osage Indians, whose rights were protected by the Federal Indian Department, are to-day drawing oil royalties of $25,000 to $50,000 a year per family.

Canada has had too much of that sort of thing in the land booms. Don't let her get "touched" again in oil.

"We would rather any day float bonds for a $14 million oil project than a $1 million project," said one of the great oil experts of the United States to me, a man who has launched 5,000,000 acre projects in Peru. "It is purely a banking problem in figures. A million will not finance an oil project through to a finish; and the bank knows it. If there isn't collateral for the $10 to $14 millions, the banks are scared of it; and so are we."

How is Canada to give collateral for the $10 to $14

millions and not blanket her resources, or see them gobbled up?

I wish I could give the name of a very big Western man; but it might be used against him politically; and I can't. He is a provincial man, not a federal leader. "This is the way it frames up to me," he said. "Take Alberta! She has millions and millions in acres of so called oil lands undeveloped and doing nobody any good. She has known there was oil there for almost a century. Has it done her any good? Now let a big company take to-day a million acres. Do you suppose any sane company is going to spend a million dollars finding oil, and then let an interloper come in and sink a drill next his pool and pump out of it? No! Let the big company take its million acres. Under our former law, it must pay down $250,000 on filing, $500,000 a year on finding oil, whether in pay quantities or not. These are preposterous terms. They simply keep capital out. Let them go in for nothing. Charge them nothing while they search and develop. Then, when they find the oil and begin to ship, let us charge them a stiff but fair royalty on output, not on acreage. British Columbia laws do this now on Crown lands. Suppose Alberta were shipping $300 millions of oil a year, either from oil wells, or tar sands, and were getting a royalty of a sixth, wouldn't $50 millions a year pay her better than the Dominion Subsidy of $640,000 a year? Give us local control over our Western provincial resources; and I venture to say Alberta electors would vote for that policy to a man."

There is the case in a nutshell. That is what is holding Canada's oil development back. Let me give some specific examples.

In one case, where the oil was found at the 400 foot level, the well was at once cased down. In another well, where the oil was located at 40 feet, the excuse was given that the machinery had played out, though not the slightest effort was made to import more machinery. In another case, where 2 barrels were found at 700 feet, the drilling stopped because the owners, having found the oil, didn't know what to do with it. They had 9,000 acres in their group but no more money to go ahead; and on the light collateral security of 9,000 acres could not get more money to go ahead from the banks. "We are boobs and greenhorns at the game," said the owners on Peace River to me, "and we didn't know how to go ahead. The banks told us a million would just finance us nicely into the bankruptcy court in an oil development; and we hadn't security to offer for an advance of more than $100,000; so we quit cold and cased down."

Yet in this very region, I paid 95c a gallon for gasoline "to fly" me out of Peace River in an aeroplane; and 60 to 65c for gasoline to motor over various sections of the country; and the oil supplies of the United States are 100,000,000 barrels (barrels, not gallons) less than the yearly demand; and in plowing, harvesting and threshing, Western Canada must always be an enormous user of gasoline and oils.

Let us see what it costs to develop an oil field in Central or South America.

The third biggest oil producer in the world—neither Standard nor Dutch Shell—recently acquired 800,000 acres of potential oil lands in a Central American State. It cost that company one million dollars before it had established the fact that wells would average about 30,000 barrels a day. As I recall, one well cost them

$250,000. (How long that average would continue, the company had no means of guessing.) Having established the possibilities of the field, they then purchased outright 800,000 acres.

Here is what the company estimates outlay must be before one cent can be earned on capital. I regret I cannot give the name of the company; but the estimates were shown me on condition I should not reveal the name, nor details:

30 wells drilled at $40,000 each equal.....	$1,200,000
Warehouses	50,000
Machine shops	100,000
Dormitories and quarters for workers in tropical jungle	1,000,000
Hospital	100,000
Water plants to ensure health.....	250,000
Power plant	500,000
Roads	100,000
Stock of materials on hand.....	3,000,000
Oil handling—pumps, tanks, lines.....	2,000,000
300 miles pipe lines @ $2,500.....	750,000
Docks	1,500,000
Ships of 10,000 tons, 50,000 pounds.....	40,000,000
Terminals New York	
Operating costs of production, $1 a barrel	
Transportation to market, $1 a barrel.	
Cost of landing in New York, $2 a barrel	
Total preliminary outlay.....	$51,550,000

The company told me they considered they would have to expend $54 millions in hard cash before they could make that oil field a producer. Against that, they

had a collateral to offer purchasers of bonds of 800,000 acres of proven oil fields.

I want you to look at those figures; for they explain why Canada's oil development does not go ahead.

The whole world to-day is being prospected for oil. Drills are being worked in the Arctic Circle. Drills are set up in Alaska. One investigator on the strength of a single verse in Scripture was sent to the Holy Land by Standard Oil. They found the oil, but up to the present not in paying quantities. Oil prospectors are to-day in every part of South America and Africa. The world is facing an oil famine. Unless more oil is found —or a cheaper method of extracting oil from shales and tar sands—or unless a substitute is found for oil, half the 9,000,000 motors now used in the United States would have to face the prospects of no fuel inside thirty years.

Yet it is acknowledged the greatest oil find of 1920 was in Northern Canada. The gusher at Fort Norman was struck at a depth of only 800 feet; and the force of the blow threw the oil column 15 feet above the derrick for an area of 400 square yards. The first oil was encountered at 85 to 88 feet. Oil and gas came at the 260 to 300 foot levels. At 800 feet, the flow came in an irresistible rush. But the well was cased down and no promise given of immediate development. In fact, the explanation was given that owing to the remoteness of the find and the severity of the climate and the great expense of constructing pipe lines (about $4 millions; the pipe lines would cost $2,500 a mile), the best the different companies could do would be to go on locating definitely where the oil exists, case down the wells as found, and finally develop some co-ordinate plan for

handling the oil when its exact location and approximate flow are known.

A comparison of conditions in Canadian fields with conditions in South and Central American fields makes clear that these alleged reasons for slow development are mere camouflage of the truth till public opinion compels a change in Canada's laws, permitting immediate development and exploitation. The various big companies are not going to risk "bucking" public opinion and being fought on the grounds of being predatory. Why should they? Every day they wait, oil is going higher in price; and when the Dutch Shell tried to anticipate public demand for development, it lost out entirely.

Let me quote the exact words of one of the biggest development companies in the world. "We were approached as to the development of the Canadian field some ten years ago; and we turned the proposition down cold. First, oil was not selling at half, no, not a third, of what it is to-day. There were only a few hundred thousand motors in use, where to-day there are 9,000,000 in the United States alone. Submarine and aeroplane and oil burners in navy and merchant marine had not created the abnormal demands that exist to-day. Coal was plentiful and coal was cheap for industrial purposes. Coal is neither plentiful nor cheap to-day. Lastly, neither the Grand Trunk nor Canada Northern had been built, not to mention the E. D. and A. Roads, which have brought these oil fields 1,000 miles nearer the market. There were few great prairie cities or communities as consumers of oil. It didn't seem easy to get the oil out to Pacific terminals for tankers. I'll admit all that is now changed. The factors are now in

favour of a Canadian field; if your laws permitted us to get big enough areas to guarantee an expenditure of $50 to $300 millions, as we have had to spend in Mexico and Central America."

Let us compare these two fields.

In one South American field, a railroad will have to be constructed 10,000 feet up a mountain range and 10,000 feet down a mountain range, to reach tide water; but that country will permit the leasing, or buying outright, of land in areas of from one million to six million acres, which will guarantee the selling of bonds to construct such a railroad.

In no place in the Canadian oil fields from East of Edmonton to Peace River, or from Edmonton North to the Arctic Circle, will the grade exceed a few hundred feet. In Edmonton and Peace River districts, the oil fields are on railroads that lead directly to tide water. Within a year, the V. and G. E. Rail line from Fraser River to Prince George will connect through Southern Peace River with the Edmonton and Dunvegan Railroad, now leased by the C.P.R., and so lead directly out to tide water at Prince Rupert and Vancouver. Within four years, Prince Rupert, Edmonton, or Vancouver—perhaps all three—are destined to become great refining centres. Before oil came out to Tampico, Mexico, it was a little forsaken fishing village hardly marked on the map, so that Secretary Daniels really did not know it was eight miles up Panuco River, and not directly on the Gulf, when he issued his famous or infamous order as to a certain American admiral leaving marooned in port 3,000 Americans besieged by revolutionists. It is to-day a splendid city of 50,000 people, solely owing to oil.

As to the oil so far down the Mackenzie River, a railroad such as it is—which could to-day be bought for its operating expenses—reaches far as MacMurray, and could in a year be connected with Athabasca or Chippewyan. It would certainly be worth Alberta's outlay to do this if it brought in an investment of $750 million foreign capital, which is the cash amount invested by foreign operators round Tampico, Mexico. Once you reach the headwaters of the Mackenzie, there are waters navigable as the Hudson or Chesapeake right down to the Arctic; and these waters are navigable, not for three months as the waiting companies aver, but for five months, from June to the end of October, as the records of the fur companies prove from 1800. There are some portages to be sure. So there used to be in the St. Lawrence; but Alberta would look after those portages if it meant the incoming of $750 millions hard cash in foreign capital, and oil royalties netting each year from $50 to $60 millions, as they would if the oil-field became a great exporter.

Distance from market can be dismissed as mere camouflage. Distance from market has not prevented the Dutch-Shell from going into Mesopotamia, nor the Standard from going into the Balkans and Russia.

The next objection is climate, and that means not only difficulties with long pipe lines but constructing industrial communities—villages, hospitals, schools—in the North, where oil exists in pay quantities. In South and Central America, such industrial communities must also be built in unhealthy tropical jungles, where for the first few years a mortality of at least 80% is not uncommon from enteric and tropical diseases. Pipe lines in a 40° below climate for seven months of the

year are not an easy job; but as a matter of fact, 40° below exists for only three of the seven months; and daylight for twenty-three hours in summer, permits three shifts of workers, where only one can be employed in the tropics. As to material for storage tanks, Athabasca has the asphaltum tars for a waterproof wall, of which samples can be seen in pavements in Edmonton.

As to work output, there is no gang boss who does not know that a cold climate permits high speed work twenty-four hours out of twenty-four, three shifts a day, where a tropical climate compels a lay-off in the heat from 11 a.m. to 5 p.m., and a complete shut down of active work in the dark of a tropical night, when malaria insects get in their deadliest work. As to coal for power purposes—as one pessimist quoted in a New York daily depreciating the oil find in Alberta—coal need not be considered. The oils and gases of the North offer the fuel all ready made.

There remains the question of laws.

In spite of the howl raised by South and Central American republics about "predatory foreign interests" coming in "to gobble up the oil deposits," there is not an oil company in America not literally infested with South and Central American sellers trying to sell them outright oil areas, which they, themselves, have not the capital to develop.

The point is—Central and South American governments permit their oil lands to be leased, or sold outright, in areas from a few hectares to hundreds of thousands and millions of acres. This gives the foreign buyer or lease-holder something on which to base collateral security for the expenditure of from $10 to $50

millions; and there is no oil operator, who will not jump quicker at a $10 to $50 million project, than at a $1 million project; for he knows the $1 million will just finance him nicely into the bankruptcy court, where $10 to $50 millions will assuredly put him "over the top."

The point is that word "security." Will the "security" stay "put"? Mexico has had fifty-nine revolutions in sixty-one years. I have not counted Central America's, nor Bolivia's; but they run a close second to Mexico; and each new revolutionary government has new laws on oil and annuls all former laws by decree. Capital is growing shy on $50 million outlays on such insecure "security." Here the difference is all in Canada's favor. Security is as secure as the eternal bed rock. Property laws stay put.

The discrepancy against Canada has been on other points. Canada (1) permitted only 1,900 acre leases; (2) only 12,000 acre groups; (3) and taxes on acreage before development instead of output.

"A gentlemanly understanding" may group "groups" up to 100,000 or more acres, but a gentlemanly understanding is not a bank loan proposition. Neither under test might it be legal; as the day for big capital playing illegal tricks is forever past as a banking proposition. The law limiting areas to small holdings was designed by Canada to keep the big companies from controlling all oil and to give the poor man a chance. It is working exactly the other way. The poor man finds the oil and can go no farther. He runs out of money. Without pipe lines, storage tanks and refineries, his oil is not worth to him a dime. He has lost what he has spent drilling, and he loses every 25 to 50c an acre he yearly spends on his assessment. Only the big rich company

can afford to drill, case down, pay its assessment and hold on.

These are the facts. Each Canadian must draw his own inference.

We have had these oil resources since Sir Alexander Mackenzie discovered the burning gas wells of the Mackenzie and Peace in 1789 and 1792. It is a safe bet to set down Canada has not taken in more than $2,500,000 from oil leases of the North in 130 years. If her oil developed, she ought to be garnering in royalties of $50 to $60 millions a year on a basis of output per year.[1]

Whether oil developments come immediately in the Canadian North, or be deferred for two or three years till pipe line and rail equipment provide facilities for the floods of gold to come out of the North, one of the next great oil booms will be in Northern Canada. Where the carcass is, there gather the vultures; and an oil boom is as dangerous to legitimate investment as a land boom. It is apt to come back in a bad boomerang. We all recall the first oil boom round Calgary, where oil was poured down a drill, then pumped up, and on the strength of the showing a million and a half of worthless paper oil shares sold to the people of the West. That the gentry of these antics are now serving in the penitentiary does not repay the hard won earnings lost.

The shame of such transactions is that a legitimate investment in good oil stocks promises better returns

(1) The Canadian policy of barring out the vulture paper share companies cannot be too highly commended. Of 20,000 claimants in 1921 to oil areas in the North, only a half dozen had spent a dollar developing. The others were squatters in a circle round "the big fellows," who were to spend all the money finding real oil, then buy out the vultures.

than the wildest dreams of these fly-by-night gamblers; but the public becomes so gun-shy of bad investments that the opportunity to make good goes begging, and the insiders usually reap the big profits by mortgaging all they own to their eyebrows, buying on the ground floor, and then biding their time, without any flare head allurements. I could tell the story of farmers in Texas, who refused to barter away subsoil rights, sat tight, leased oil drilling rights themselves on a sixth or an eighth of net production returns, and are to-day drawing annual royalties of from $25,000 to $200,000 a year. It is a joke in the theatrical world that Bacon, the great hero of the play—"Lightnin' "—spent the first half of his life sitting poverty-stricken on an arid farm in California, which he abandoned as hopeless before it became one of the greatest oil producers in the world. But I could also tell the story of innocent Northern investors, who were lured into buying millions of dollars worth of valueless paper shares in Texas companies, who had taken options on land, which has never produced any oil and never will, or in wells that began at 25,000 barrels a day, and before the developers had sold any stock had decreased to 4 barrels a day. Now 4 barrels a day will pay if you have enough wells of 4 barrels and are in proximity to big companies to whose pipe lines you can sell.

But the Canadian North has no pipe lines to-day; and without pipe lines, even a 100,000 barrel gusher is not worth 10c a day; and where a company leases a million acres at 25c an acre a year—as one did in Texas —and then spends a million drilling and does not find any well exceeding 4 to 25 barrels a day—financial rocks are ahead. As to pipe lines, keep in mind the fact they

don't cost $50 millions to the Arctic Circle. They cost $2,500 a mile for the 1,500 miles to the Arctic Circle, which with cost of carrying in machinery is not $50 millions, but under $4 millions.

Two warnings should be issued to all investors in view of the impending oil boom in Canada. Paste them in your hat and bank book.

First, as to buying shares—

Second, as to signing away oil rights—

People who bought shares in Atlantic Refining at $100, and saw those shares soar to between $1,000 and $1,900, made money and made it legitimately. They went in early and bided their time. People who went into Mid-Continental Field at $10, and saw their shares go to $200 and $300, did the same. The same of a dozen other companies; but on the strength of these successes, *all land that calls itself oil land is not an investment.*

The first requirements of a good oil investment are a good strong company with men behind it, whose success proves that they know the game.

The second requirement is a large oil area under ownership or lease; for oil is not exhaustless. The best wells dwindle in production after the first few years. The only assurance of a continuous flow is a very large area—I should say not less than 100,000 acres, a million if possible.

But even with a million acres of proven oil area—please emphasize that word *proven*, it means with the drills down and the pumps going now not in the future —*the oil is utterly worthless without the equipment.* There must be pipe lines. There must be tank cars. There must be access to tide water. There must be terminals. There must be tank steamers; and the cost

of all this may run from $10 to $50 millions. I know one oil operator who had all this 600,000 acres in fee simple for which he spent $2 millions—$10 millions in equipment—and he did not get a cent of dividends for seventeen years. When the dividends did begin, they ran from 26 to 45%; and his personal share last spring was $9 millions.

The first requirement is strong experienced men behind the venture.

The second requirement is a large proven oil area.

The third requirement is money enough in sight to provide full equipment.

Any other form of oil share investment is a gamble pure and simple.

Second, as to signing away oil rights for a song. Of recent years in Canada the Crown reserves oil rights in new territory, and leases those rights at between 25 and 50c an acre. (The rate has been modified recently.)

But on lands homesteaded and bought before oil was known, the farmer holds his rights. Since oil was discovered in the North, the West has become literally infested with furtive agents leasing these oil possibilities for a song. The man who parts with them for a song is a fool. If there is no oil, he is getting a few dollars for nothing, which is a cheat. If there is oil, he is giving away a fortune for a few dollars, which is a swindle.

One more point—some land companies are now selling all their lands subject to reservations as to oil and coal and gas. That is just about as sound as a dealer selling a cow subject to reservations if she turns out better than expected, but no reservations if she

turns out worse; and to all such bargains, the Romans had just one warning—"Let the buyer beware!"

Yet another warning to Canada—because we have great natural resources in oil, the world is not going on its knees to get it. We have had those oil resources from the beginning of time; and they have yielded us nothing. Canada is not the only country that had a great discovery of oil in 1920. Another field promises another Mexico; and there the drilling has been done so quietly and the casing down so secretly that outside oil circles the find is almost a secret. That field is Wyoming. If Canada discourages development by her laws, by wild-cats, by stock swindlers, by self depreciation for the purpose of playing some big company's game—capital will go to Wyoming instead of Canada.

Or take the case of potash deposits.

The same rumours exist of these deposits on the Liard as of oil in Mackenzie River areas. Trappers and engineers have brought out the reports. I have not figures here by me; for I am writing in the North; but my memory is that potash deposits are worth to Germany, many millions a year. But Canada's potash deposits are supposed to be on the Liard. The Liard is hundreds—I might almost say thousands of miles from trunk line transportation. What company is going to build a line to get it out? No company unless it has big enough guarantees to get its railroad financed at the banks.

Since 1871 (read Selwyn's Report) it has been known there is an enormous body of low grade gold ore on Selwyn Mountain, a bed of low grade ore similar to the iron ores of Lake Superior; but Selwyn is also hundreds of miles from a railroad; and this is a smelting ore.

What company is going to put in smelters and a railroad unless it has big enough areas and long enough lease on the ore beds to finance railroad and smelter? The same thing might happen to it as at Phoenix. If it paid royalty on acreage instead of output, the vein might peter out; and a town of 3,700 dwindle overnight to exactly two souls at time of writing.

It would be laughable if it were not so stupid as to be pathetic to think that one of Canada's largest single items of imports is anthracite coal, while prairie provinces pay $20 a ton for it, when they can get it at all. Canada has a huge bed of anthracite between Peace River and Prince George on Bear Creek, which would make her independent of all foreign anthracite. Lack of railroads again. Capital doesn't know where it would be at if it began spending millions to get that coal out. Would it be "nationalized"? Would soap box orators say: "We'll take it back; it's ours"? Well, like the gold on Mt. Selwyn, the pulp wood in British Columbia, the oil on Mackenzie, the potash on the Liard, it is all Canada's now. It is nationalized now to the dearest nationalizer's heart's content; and what good is it all doing him; and what good is it all doing Canada?

Will it pay Canada to lock her natural resources up so tightly that nobody can develop them? (She has been doing that for a century now.) Or will it pay her to throw the doors wide open to capital, then take such a stiff royalty out of the production that the nation gets a revenue, while the country gets the benefit of production? Which is best for Canada?

While our laws throw one monkey wrench into national development, Labour is unconsciously throwing another. The laws designed to preserve our national

resources are really smothering them in a perpetual sleep. So the Labour policy designed to help Labour by throwing in another monkey wrench is really not helping Labour to higher wages and profits, but is hindering its aims. With this I shall deal in my next, and very concretely.

Since I wrote the above out on the fields, much of it within sight of the drills, Canada's oil laws have been slightly changed. One has only to examine the changes to see they do not cut to the root of the matter at all. When I drew the attention of a Canadian public man, who is slightly interested in potential oil areas of the North, to the necessity for granting larger areas, he answered: "Yes, but if you grant such big areas, you rule out the small "wild catter" altogether, and it is the small 'wild catter' who finds oil, just as the prospector finds gold and silver."

But this is another foolish misapprehension. Suppose the small "wild catter" finds oil, a gusher. How is he going to get it to market? Pipe lines. Whose pipe lines? The big companies. Ever so many. "Ever so many" will not come in unless given big enough areas for bond security to the banks; and if there are only one or two pipe lines, these lines can pay such a small price to the independent little fellow, they can freeze him into bankruptcy, which is such an old story, it is one of the tragedies of the oil world. The pipe line is the neck of the bottle through which all oil must come to market. The more "bottle necks" there are to bid for the oil, the more competitive prices there will be and the higher prices paid the little independent. Get a dozen big competitive companies on the field, and they gladly leave the finding of the oil and in many cases the drilling of the wells to the little fellows, confining themselves to handling and marketing the product. The little fellows either sell outright, or take a royalty on production; and this story of oil is a second Arabian Nights, fascinating as the wildest yarns of gold camps. I know two oil finders of Mexico, who picked up for a few millions—the largest areas did not cost five millions—such good small holdings that they stand to clear by resale to the big fellows a hundred millions each. As the big fellows exhausted their areas, having full equipment of pipe lines, refineries, tankers, they had to go to these little fellows and buy; and the sellers got their price. Both men began just after leaving college. Neither is to-day much over forty. Before they are fifty, their holdings will stand themselves and their companies a hundred millions. In the Osage Indian Territory is a similar story. Indians still running round in moccasins are to-day drawing royalties of $25,000 to $50,000 a year. Canadians should read the graphic account of this in a recent number of **The Century.**

Briefly, Canada's revised oil regulations provide:—

"An applicant may be granted a prospecting permit for four square miles instead of three square miles as formerly. If oil is discovered, the leasee will be allowed to take out a twenty-one year lease for an area of one square mile, or an area not greater than one-quarter of his prospecting permit. The remaining three-quarters will remain Government reservation. A prospector cannot take out more than five permits with an aggregate area not exceeding 2,560 acres."

"It is said the regulations are somewhat similar to those in force in Alaska." (This comparison is pathetic pathos, for Alaska oil is to-day a joke on Wall Street.)

"Drilling outfit must be established on the location within two years of the date of the permit, drilling to a depth of at least 500 feet must be conducted during the third year and to an aggregate depth of 2,000 feet during the fourth year. A separate drilling outfit is re-

quired for each location. In the event of the discovery of oil, the rental is 50c. an acre for the first year; $1 an acre for the second year. A royalty of 5% will be charged for the first five years and 10% thereafter." (This regulation would have excluded Doheny, the American, or Cowdray, the Englishman, from Mexico.)

"Two forms of title are provided—first, a permit to prospect for oil and gas over an area of 2,560 acres for a period of four years; and second, in the event of discovery, a lease of one-quarter of the area covered by the permit at a rental of 50c. an acre for the first year, and at the rate of $1 for the second and third year. The royalty has been placed at 5% for the first five years and at 10% thereafter. Provision has been made that the maximum area of 2,560 acres may be staked in not more than five blocks, for which separate permits may be issued requiring the installation of individual drilling outfits on each location. The regulations fix the minimum area of a location at 80 acres. An adequate drilling outfit must be installed on a location within two years of the date of the permit; drilling to a depth of 500 feet must be conducted during the third year, and to an aggregate depth of at least 2,000 feet during the fourth year. Where these requirements are not fulfilled, the permit immediately lapses without the declaration of cancellation or forfeit on the part of the Crown."

Of the 153 active producers in Mexico, I do not know one which could accept these terms and not go bankrupt. Mexico recently cancelled some drilling permits, and one of the biggest companies in the world at once shifted its appropriation of $8 millions for Mexican development, to American and Mesopotamian and Russian fields.

Since the early '90's, Canada has officially been prospecting for this Northern oil; and officially, Canada did not find it. One of the big companies did. Will other big companies do likewise at a cost of a million dollars, if three-quarters of their find be reserved for the crown? These regulations will simply postpone Canada's oil developments until they are changed.

CHAPTER XII.

How Labour Is Throwing A Monkey Wrench In The Wheels Of National Progress.

I have told how the very laws which were designed to keep oil resources from falling into the hands of big holders, impede the development of natural resources and bring about the very thing which they are designed to hinder.

One can't go far without being painfully aware that the same thing is true in the Labour world, though when you mention Labour just now in Canada you are supposed to do so with a Maxim silencer on and gum shoes on both feet. It is a curious thing that aversion to facts—when you touch this subject; and it is a bad sign in any policy when it won't stand the daylight of facts.

Now, I want to clear the air of a smoke screen usually sent up when you mention Labour. I want to put on record that the greater the gains to Labour financially, the more money there will be in circulation and the better for the country; but I said Labour, not decreased output, not slacking back, not a policy of getting something for nothing, of wind instead of work. I would like to see Labour getting $100 a day if it could get it without stopping the wheels going round. I would like to see it getting it because I am a labourer myself, and love work too much ever to limit myself to eight hours

a day. I like work so much I consider it better than play.

But I would like also to put on record that the greater the gains to Capital financially, the more money there will be in circulation and the better for the country; but I said Capital, not decreased output to send up prices, not holding back to profiteer, not a policy of getting something for nothing, or squeezing the public by limiting output. I would like to see Capital getting 100% if it could get it without stopping the wheels going round. I would like to see it get that because in proportion as I work and save I am a capitalist; and it is the big aggregate of a lot of little savings like my own that build up big Capital with a big C.

Is that a fair statement of the case?

Now let us see if Labour's Policy is designed to build up $100 a day returns to it so that it will really become Capital—bridging the chasm between the two by its own thrift, its own savings, its own foresight. You can't build Capital up by tearing it down. We have seen what tearing down has done to Mexico and Russia; and if you have any doubts, just tear the brakes open, turn on the gasoline, and let your best motor car come down hill. It will demonstrate just what tearing down will do.

Because the world—or a large part of it, certainly the Russian, Mexican and German part of it—representing a population of easily 300 millions—is being led just now into a bog, that is a cesspool of lust and murder—by a lot of opinions that are untried theories—I want to keep strictly to a statement of concrete facts.

If the facts collide with the theories, so much the worse for the theories. You can't alter a fact, any more than you can break a natural law. You only hurt your-

self when you collide head-on into a fact, just as you break yourself when you think you are breaking a law.

Ten years ago, I was in British Columbia, when the question of Oriental Immigration was a very serious one. Over 100,000 Hindoos wanted to come to British Columbia. That was a very critical thing both for British Columbia and the Hindoo. The Hindoos were British subjects. If they had been admitted, they would have had the right to claim the admission of their wives; and that would have entailed the child wife system; for the child wife system is involved in the physiological fact of very early adolescence consequent in all tropical races. Canada didn't want the child wife. Neither did she want the problem of a black patch, or a brown patch, set down in the midst of a white population. We had facts to go by here. We did not need to run off in untried theories. The facts were to be found in the Southern States. Wherever the black and the brown patches came, the white races were driven out, not because the white could not compete against the black and the brown, but because of the peril to child life, especially young girlhood. This does not need any explanation. Every Southerner knows what it means. So does every Northerner who has lived in the South. Canada is to-day a safe country—safe as your own home porch—for every girl or woman from Atlantic to Pacific, safe in the remotest settlement as in the midst of a cordon of police; and long may our national life remain clean and pure of tropical vices as our pure air is clean of tropical diseases!

So to prevent a black patch, or a brown patch, settling down like a cloud on our Pacific Coast, it was ruled by Order in Council—Ottawa—that incoming immigrants

on the Pacific should in one case pay a head tax of $500, in another case have at least $600 on their person. This excluded the scum of Oriental immigration and admitted the civilized classes, with whom tropical vices and diseases are not regnant. But it was never meant to apply to British white men from Australia, nor to coolies in transit to and from work in the European War.

Now for some concrete facts.

Not long ago, an Australian longshoreman reached Vancouver with slightly less than $600 on his person. There were longshoremen strikes on at Prince Rupert and Vancouver. That Order-in-Council against the Oriental was worked by the Labour Unions. The Australian could not get admission to Vancouver. He promptly went across to Seattle, and is to-day an American settler instead of a Canadian.

Also, in the last ten years since the democratizing of China and the liberalizing of Japan, Oriental immigration isn't coming any more to remain. It comes only to work and go back. It does not want to be a permanent brown patch. During the War, from 50,000 to 60,000 Chinese coolies passed to and from Europe through the Pacific ports in Canada. In batches of 10,000 they had to await transport ships months and months in British Columbia. They and their bosses were eager to work at $10 to $20 a month to pay the cost of their keep while they waited, clearing bush lands round Vancouver at contract job prices. The Order-in-Council was invoked against them. They were kept waiting in utter idleness, some of them long as eleven months, at a cost to our British finances taxed to bear the burden of the War, of not less than 40 to 50c a day. They could easily

have cleared hundreds of thousands of acres of heavy timber areas, which could have been resold to white settlers at just the cost of clearing. They were not allowed to do so for fear they would "break" the Labour market, though there are ten jobs in British Columbia for one man available in the heavy timber work on our National Railways positively unsafe for heavy hauling owing to the sinking of gumbo soil, because the railroad cannot hire or bribe white men to work in these sections, because the surplus labour does not exist to work on these sections. They are close to heavy river beds. They are thickly, almost impenetrably, forested. They are infested with mosquitoes. The wages run $4.50 to $6 for a eight hour day. The board—which I have lived on and which is good as you get in any tourist camp in Jasper Park—does not exceed $1 a day. Yet the labourers cannot be got. The Order-in-Council was invoked and the coolies were not allowed to work.

Labour threw a monkey wrench into National development and boasted of its triumph and power.

But did it really triumph? Who got hit by the monkey wrench?

Let us take facts again.

Let us take the timber problems of British Columbia.

British Columbia is the most richly endowed province in Canada. It has wheat lands. It has grazing lands. It has mines. It has pulpwood. It has building timber —all pretty nearly without limit. It has a population of say 500,000; and it cannot feed itself. It has to import $20 millions a year of poultry products from China, and

Nor does the present cry of unemployment modify this fact. White men will not go out of the towns and tackle these jobs; and if they did, many have not the physical stamina to stand the work. If the lands were cleared, the white man could farm them; but he can't clear them and live on rice while he clears them.

another $20 millions of dairy products from Australia and parts of Canada. That money goes out of British Columbia. It is needed in British Columbia. Importing food means higher and higher cost of living. Higher and higher cost of living means higher and higher demands for wages. Wages and material are already so high in British Columbia that house building has pretty nearly stopped. So rents are high. Who pays rent? Labour? Why are they high? Labour! Who gets the boomerang? Labour.[1]

Or take taxes on property!

In the pre-war days, British Columbia went ahead at a terrific rate in municipal improvement, in paving, in street railroads, in steam roads to open mines and farm lands and timber limits. The slump of the war came. The province had to assume certain railroads to prevent defalcation of interest on bonds. Who pays the cost of these roads to-day? The tax payer, the public, you do and I do; and because immigration stopped, there are too few people to bear that burden of taxation; so it falls very heavily on those who are there sticking it out. I could tell you of case after case in Prince George, in Prince Rupert, in Vancouver, in Victoria, all through the province, where in spite of higher and higher rents, the annual rentals do not pay the annual taxes; and these properties are falling in the hands of—Labour? No! They are falling into the hands of Eastern Capital.

I recall one ship building plant typical of many. As long as the War lasted and tonnage commanded all the way from $140 to $200 a ton, the plant could afford to go on with the high overhead and higher and higher wages; but when War stopped and the company could

(1) And the lumber mills have had to shut down, increasing the unemployment.

no longer be sure of $140 to $200 a ton because no one could foresee what ocean freights would be, the company had to shut down. It had to shut down because it could not afford to pay the high overhead. Result—500 men were thrown out of that yard. They and their families moved away from British Columbia. Loss to Canada, 2,500 settlers, at the potential value of $1,000 a head a year—loss to Canada in circulation and trade $2,500,000.

Now come back to the bush land problem.

British Columbia cannot feed herself because she cannot clear her heavy timber lands fast enough to raise food for her population. These timber limits are a terrific problem. Bush lands in Manitoba cost $10 to $12 to clear an acre. In British Columbia, if the timber is light, they cost $800 to clear slowly by hand, $200 by big machinery operated on a contract basis. If the timber is heavy, they cost $1,800 to clear by hand, $500 by contract. But it takes at least a year after the timber is cleared to get the land in shape for planting. The land is sour. It needs to be plowed and turned up and oxidized before it yields. Then at the end of the second year after clearing it yields a crop. If the crop is in cereals, even oats at 100 bushels to the acre, will not support the settler, Even berries at $1,000 to $2,000 yield at 20 to 22 cents a pound—for which the U.S. canneries are bidding frantically to supply soft drinks—will not always sustain the settler; for the first yield has to pay these first three years of clearing and future years of clearing; and at the end of two years the land has to be plowed up again and be prepared for fresh planting; and taxes are high; and even at the paper estimate of 8,000 to 10,000 strawberry plants to the acre and a yield

of one pound to a plant, and a price of 22c a pound—the price this year—at a cost of $800 an acre to clear, it is going to be a long process and a chancy process to clear 100 acres, to clear over 20 acres. It is going to be a life job to clear 20 acres; and by the time a man, or woman, age twenty-five has put in twenty years clearing 20 acres, they want to be on easy street, sure of a steady annual income. In the interval, a wet year, a dry year, a blight year, a market panic year—all factors beyond human control—may put the settler out of business. He may lose a team of horses by accident. He may break his leg at his job. His wife may fall sick. The kiddies need schooling, which can't be deferred for twenty years. He claps on a mortgage—the easy way past an emergency—then comes a bad year. He can meet neither taxes, nor mortgage, and is sold out. Sold out to whom? To Capital.

What usually happens is this.

He gets nauseated by the long seemingly endless job. He won't stick. He clears two, or five, or ten acres. Then he looks for some prairie farmer, who has grown rich on wheat and wants to retire to a climate less strenuous than the 40° below for his post-meridian period. The British Columbia clearing farmer sells out at all he can get. He can always get from $200 to $300 an acre for fruit land even at a distance from market. He can frequently get $1,000 to $2,000 an acre close in —say twelve miles—from Vancouver or Victoria, or some other city centre; but if you think the prairie farmer, who has toiled till he is gray at forty getting a competency on the prairie, is going to break his neck, when he retires for a rest on the Pacific Coast, to raise food for British Columbia—you don't know human

nature as it is. When he retires for a rest, he is going to build him a "comfy" bungalow—a beauty spot with trees and ocean outlook for which he has longed for twenty years—and raise enough to support his own family, and take it easy—which the Pacific climate with its mild lotus-air social atmosphere tends to anyway.

So British Columbia does not raise enough food to feed her population; and the cost of living goes up and up. And who pays? Chiefly Labour.

Suppose those heavy bush lands could be cleared by contract jobs—Orientals or any others—and the land sold at exactly cost to any and all settlers—who, chiefly, would buy those lands? Highly paid Labour, especially close in to such big industrial centres as Vancouver and Prince Rupert. Give those big industrial centres all the Labour they need, all the market demands—Vancouver would be a San Francisco in ten years. Prince Rupert would be a Seattle in ten years; and clearings, which Labour to-day could buy at $200 to $300 would in ten years sell at not $1,000 to $2,000 for berries, but $16,000 an acre for suburban lots.

Is there any easier way on earth in which Labour could have its sure competency in ten years?

These things have happened in Seattle, in Tacoma, in San Francisco, in Los Angeles. I could give the names of thousands of men in each of these centres who have come up to opulence by just this shirt sleeve route in ten years. Why is this development not going ahead in British Columbia?

Because Labour has thrown a monkey wrench in National development; and the small politicians out for a vote to get their feet in the hog trough, have refused to pluck the monkey wrench out. Because the

wheels are being spiked from going round by utterly false economic theories that if you hinder the other fellow, especially if you take from the other fellow something for nothing, you are somehow advancing yourself.

No falser theory was ever enunciated.

Who is hurt by present conditions of higher and higher cost of living?

Labour.

Who is hurt by the shut down of plants that cannot pay their overhead?

Labour.

Take the case of Lulu Island, an easy motor run of six to twelve miles from Vancouver, which in a few years will be a city suburb of Vancouver.

Years ago, this land was cleared by Chinks and Japs, who long since have retired to sleep with their ancestors. This is how they did it. They bought it cheap from tired-out white settlers, who would not, or could not, stick. They built little two-roomed log shacks. They had bought a year's provisions, chiefly rice. They later added a cow, or a pig, and fished for other diet. They were eaten alive by mosquitoes, but their hides were evidently malaria proof. They didn't work on an eight hour schedule. Till the lands came into bearing and were drained into garden spots of beauty and rich yield that stagger you by their returns, they worked on tracks, on drays, in lumber mills, as house servants—as anything to put them through. Then they sold to the whites at from $150 to $2,000 an acre—no buildings—according to the planting and quality of the land and yield. Here scores of Soldier Settlers have bought at

from $300 an acre—which the Board permits—up to $1,000 an acre, which their own funds permitted. Even at an indebtedness of $5,000 to $8,000, they will make good; for they can repay in twenty-five year payments; and good land will easily foot the yearly payments. Meantime, this land will presently sell at the price of city lots; and if every Soldier Settler stampeded away tomorrow, the Soldier Settlement Board could resell at ten times the loans advanced on it. And this holds good of all such lands.

But take two other areas—either from Vancouver South to Westminster, or from Victoria North. This is terrifically heavy timbered land. It will cost from $300 to $800 to clear. I know big syndicates, which the soap box orators are fond of calling skindicates. Well, they were skindicates all right, but it was the syndicates who got skinned. They spent $300,000 trying to clear these lands, and sold the lands at $300 to $1,000 an acre fast as they were cleared, and at the end of ten years had less than a $1,000 profit for an investment of $300,000. That is $100 a year profit on a cash capital of $300,000. How is that for the sons of bloated Capital with a big C? Don't hear of it from the soap boxes—do you?

Facts are horribly awkward things, when you project them into theories.

I know one syndicate that has a standing offer to give away its balance of land to anyone who will pay the taxes; and that land is not a stone's throw from one city of 200,000 and another city of 20,000. They were against Oriental immigration, too. They told me for the first few years they could get white Labour to toil at the colossal job of these giant trees and mammoth roots.

But the white men would not "stick." To-day, they can get neither white man nor brown; and they are making a present of the land to the Government; but land which goes back in the hands of the Government does not pay taxes for railroads and municipalities that have interest on debts. So up go taxes to whose who do pay; and up go rents; and up goes the cost of living.

A coal mine that has never had a strike is such an unusual phenomenon I am afraid to set down its name, or its whereabouts, for fear of causing a stampede of walking delegates. One arrived the night I reached this mine, an I.W.W. agitator came in on the same train and applied for a job the next day in the mine; but as the job he wanted was that of a paid trouble-maker, he was told there was no such vacancy, and he went away breathing threats he would come back and pour so much booze down the shaft of that mine it would float the men's pick axes.

All the same, it was a mighty interesting mine, and is cram full of illuminating facts as b.t.u. in lignite coal.

For instance, unskilled labour was getting a minimum of $6.35 a day, skilled a minimum of $10 a day for an eight hour day bank to bank, which means about four-and-a-half hours of active work in and under. This does not mean that the other three-and-a-half hours are loafed or idled away. It means that the other three-and-a-half hours are taken up going down and up the shaft, shooting along the underground tunnels, eating luncheon below, waiting for cars to load; but all in all $10 for four-and-a-half hours of actual brain and brawn slugging didn't seem to me a subject for sobbing sympathy. I felt very much sorrier for myself when I got back East and had to pay $15 to $25 a ton for coal; for underground

in one of those mines I met miners who have knocked down six tons in four and a half hours.[1]

The mine was a beautifully equipped one with every safety device known. Years ago I went through a lot of copper and coal mines in the West; and my memory was of dark shafts and tunnels along which we clambered with only lanterns and with very great risk of cave-ins and explosions. But the world has moved apace in these years. In those days, $1.75 was high wages. Also the price of coal was $5 to $7. I found elevators for hoists, electricity for light at every few paces, timbers whitewashed to lighten the general effect and a system of ventilating that kept the air cool, though it was one of the most sweltering days I have ever felt above ground; and as for facts, as I said before, the mine was more illuminating than its electric lights.

For instance, for every 10% increase in wages in the past four years, there has been a 10% decrease in output.

Very few of the mine workers are over fifty years of age. The most are young. The proportion of unmarried to married is two to one. It is from the unmarried, unanchored workers that nearly all the labour trouble comes. While the minimum wages ran at $6 to $10, the maximum ran at $22 to $30 a day; and among the high speed workers in the history of the company had been war aviators, a Rhodes' scholar, teachers, preachers, doctors, bank clerks, who could make more mining and more easily than at their own professions.

Of the miners, a third were on the surface, a third handlers under, a third actual miners of coal under. Balkan and Russian immigrants proved best workers

(1) In 1921 this mine had to shut down part time because it had no profits, and sales would not pay wages.

till English and American and Canadian agitators got hold of them. The Rhodes' scholar began at $8.50 a day and had worked up to $20 a day.

Cottages had been built for the married men and homesteads sold to them at $10 an acre; in order to anchor down a permanent type of labour; for the main difficulty in holding a stable permanent type of labour in Western mines arises thus: The most of the new Western companies have not got far enough ahead financially to build storage sheds to keep coal from weathering.

The most of Western communities have not storage sheds to buy winter coal in summer.

The most of people will not order their winter coal in summer.

It pays the railroads, who haul wheat East, to bring back "the empties" in coal from the East.

These factors combined leave the Western mine owner forcing production in the autumn and winter, and slacking off in spring and summer. This disperses a good working staff, loses esprit de corps, and makes for instability in the industry.

If organizations like the Grain Growers, or the railroads, or the Elevator Companies, or the factories of different kinds, would build storage facilities and take their winter's coal in spring and summer, the mines could produce at $1 to $2 a ton cheaper.

A few more salient facts:

The maximum mine earner is earning more than his superintendent, or for that matter than the governor, or premier of his province. The minimum mine earner is earning more than the dividends of the mine owner.

Of the price to the consumer, 60% represents wages,

17% freight and office overhead, 23% capital investment and middlemen profits.

Coal bought wholesale at $5.25 in winter at the mine mouth could be bought for $3.65 in summer. Freight from the Rockies to Winnipeg runs roughly at $5 per ton.

If it could be shipped straight from the mine to the consumer in car lots, it would save 80c to $1.50 a ton in double shoveling in and out of cars.

When you come to contemplate your coal bill this winter, brood over these facts, and if you kick, kick to some purpose and do not merely bruise your shins!

Last spring I ordered my winter supply of hard furnace coal at $12 a ton. None came to the dealers up state from whom I ordered it till November. The price had gone up then to $19 a ton f.o.b. With freight and cost of delivery by motor truck and team, it cost them $23. I understand loading and unloading by hand costs them about 80c a ton. Teaming—where trucks can not be used in small area ways and yards—costs to-day $8 a day; so it is not hard to figure that these particular middlemen if they charged $25 a ton—2 tons to the wagon—would be money out at $25 a ton, which they are charging people who did not order last spring. Because I ordered last spring at $12, we have split the difference and I am paying $15 a ton, for some; and shall have to pay $25 a ton for the rest.

I am stating these figures to make clear that not all middlemen are candidates for a job in the penitentiary as profiteers.

I have just returned from a trip of some detail through every city in Western Canada, and practically the same fuel conditions with slight variations as to price and

quality of coal exist from Calgary and Edmonton to New York and little up state communities such as the one in which I live.

The coal did not come through sooner, not because of scarcity of cars, but because the coal operators could not get it mined. The miners demanded and got increases of pay. For every 10% wages went up, production declined 10%. Shorter and shorter hours were demanded. The miners of the hard coal areas in the Eastern States went on vacations, against which there is no law.

Yet in the lignite and bituminous mines West of Edmonton, such coal can be mined by hydraulicing at 25 to 50c a ton. Mine areas can be bought at $2 to $3 an acre up to $400 an acre for fully equipped properties; so the coal is not scarce, and the available areas are not scarce. They have not been "gobbled up by the trusts," as soap box windy orators are fond of proclaiming. I could set down the facts of hundreds of such areas for sale for less than agricultural lands.

And the world is famished for coal.

For Alberta coal, which can be machine mined at 25 to 50c a ton and placed at tide water on the Pacific for $2.85 to $3.50 a ton, Sweden and France and South America are offering $35 to $37 a ton for bunkering purposes on ships, which no longer can afford to buy oil. Now this scarcity of oil for ships is not going to continue beyond four years. Three great new oil areas were discovered in 1920, which will be pouring out their liquid fuel supplies within four years—just as soon as pipe lines, refineries, and tankers can be built to handle the output. These three areas are in Colombia, Wyoming and Northern Canada.

What hinders Canada reaping a golden harvest from her coal mines in these four intervening years?

Who is really being hurt by present conditions? The capitalist, or the consumer, the profiteer or the householder? And who really is the profiteer? Is labour getting a square deal in the mines?

I am not going to answer these questions. I am going to copy a pay roll of one Western mine, which has never paid a single dividend, which has never been able to get far enough ahead financially to build a shed for its summer output of coal, so it could keep its summer output up to its winter output and not suffer 20% loss by deterioration in sun and rain of coal exposed to weather.

Then I want you to go back to the questions and answer them for yourself.

Minimum wages, unskilled, $6.35 a day.

Maximum wages, skilled, $22 on piece work, $13.50 on contract.

Wages per hour, 13c in 1912; $1.35 in 1920.

Rhodes' scholar, $8.50 a day when he began, $20 a day in 3 months, underground work.

Japanese loaders, underground, $156 for 12 shifts, less $7 for supplies, 8 hour day.

Returned soldier, $139, less $5.25 for supplies, 13 shifts of 8 hours.

German loader, $147, less $11 for supplies, for 12⅞ shifts of 8 hours.

Japanese miner, $152, less $8.15, for 12⅝ shift of 8 hours.

Russian miner, $128.50, less $6.65 for 12¼ shifts of 8 hours.

Scotch miner, $183.50, less $6.45 for 10½ shifts of 8 hours.

The supplies consist chiefly of explosives under regulation of the fire boss; so that powder cannot be wasted, or stolen and sold.

The eight hour day means from bank to bank, less time to leave shaft, less luncheons, less waits for cars, leaving 5 to 6 hours of actual manual work.

Now answer the questions for yourself. Who is the profiteer? Why is coal $25 a ton?

Once a young relative of mine sent his balloon so high it never came down. We tried to show him that when it went up so high, the pressure inside would be so much greater than the pressure outside that it would—as he said—"bust"; but he persists in thinking it will still go up and up and up till it reaches Heaven.

I prefer to close this without adding another word.

CHAPTER XIII.

Stop Knocking Our National Railroads—"Bent But Not Broke"—Comparison With Other Transcontinentals in America.

I have now traversed every section of our National Railroads from the St. Lawrence to the Columbia; and I want to put on record, hard and emphatic, the fact that it is time to stop knocking our National System, whether Canada Northern or Grand Trunk.

I was told if I travelled on one particular section of the National Railroads, the car would rock so badly I should be thrown out of my sleeper berth. Well, I have travelled on the identical section; and the pullman rocked, though not quite up to the expectations of critics, who devoutly hope for the worst; but I wasn't thrown out of my sleeper; and the cars did not rock half so badly as on a certain much vaunted flyer between Chicago and New York, where they charge you extra for the rocking on the plea of a fast pace.

If the Nationals would charge extra for that rocking, I am confident the kicking would stop. You know how Tom Sawyer got his fence painted. He charged for it; and the boys fought for a chance to do it.

I was told that with the increase in wages on all American and Canadian roads, the deficit of $47 millions a year would presently be a deficit of $80 to $100 millions; because there was not sufficient traffic in Canada for three transcontinentals which actually happened in 1921.

Forget it! More hoping for the very worst.

Canada has to-day more potential traffic than her three transcontinentals can handle. Lumbering, paper milling, farming, mining—are all being impeded in development for lack of cars to handle the traffic available, both freight and passenger. When tourist traffic was at its height in July and August, the loneliest and most isolated sections of the Canadian Nationals were very much in the sad position of Booth Tarkington's parent in "Age Seventeen." You couldn't go in a tourist car, a pullman, a diner, without stepping on a superfluous tourist—more tourists than the railroads could comfortably handle. As to hotel accommodation for the tourists, who come to Western Canada to squander their good foreign money and right exchange by so doing, compared to the number of tourists, the hotel accommodation is pretty nearly non est. From the time I left North Bay in June for the West in September, when I headed back East, I had to telegraph a week ahead to get bed and board at all; and in one place I was one of two-hundred people, who had to shorten a stay of a week to a day because there was not a sleeping box available anywhere in that city. I remember coming off one steamer on the Pacific crowded to standing room. There were 600 people—chiefly American tourists bound to Alaska—on the gangway; "and," said the steward, "we often have 1,100." Yet those 1,100 were only a fraction of the number who would have come if there had been room.

On the loneliest section of the Nationals—say up Thompson River, which critics are fond of saying is a superfluous branch—there was more lumber freight available than there was equipment to handle it, or

indeed, than there were track workers to keep the road bed in repairs. If the critics would look at the map carefully, they would see this line is the short base of two long sides to a railroad and steamboat triangle. Instead of spending two nights and a day between the prairie and the coast, and then two nights and a day down the coast to the American Border, you make the astoundingly quick time of two nights and a day only from the American Border to Edmonton, the jumping off place for the Mackenzie, for Peace River, for that section of British Columbia which promises to be a second Transvaal.

If you have any fear of Edmonton being permanently "broke," instead of only temporarily "bent" by the War slump, take a good look at the map of the Hinterland beyond!

There is oil on Mackenzie River. We know that now. Oil tankers are being ordered at Prince Rupert and Vancouver, not because they can't be ordered elsewhere. They are being ordered at these points because they will be needed at these points to carry the oils of Northern Canada to South America and the Orient. It may take four years to get the oil development to the shipping point. (It took Mexico seventeen years to make oils pay.) But when Canadian oil reaches the shipping point, it means Edmonton a second Pittsburg, Vancouver a second San Francisco, Prince Rupert a second Seattle, Terrace, British Columbia, a second Spokane.

Peace River has wheat farms for 3,000,000 people. She has headed into that wheat area only two lines—the Edmonton and Dunvegan (critics claim it is unnecessary), which the C.P.R. has taken over to operate; and the P.G. and V.G.E. up Fraser Canyon, a provincial

B.C. line, also criticised as unnecessary, both of which will have to be co-ordinated into one line to handle Peace River traffic.

When that happens, you will see Prince George, not "broke," not even "bent," but a second Butte, or Helena, humming with mining and lumbering and pulp activity. These things have materialized in the United States in the last twenty years. They will as inevitably materialize in Canada.

But that is not the whole story—not by a long, long shot.

Wake up, and rub your eyes, and look at the map again!

We are not dealing with pipe dreams. We are dealing with facts.

Draw a line from the headwaters of the Yukon to the wonder mines of Mexico, which have been feeding the world with wealth of copper and gold and silver for 400 years. What do you find? First—the Yukon. You will admit the Yukon was worth while. It did produce real stuff, not pipe dream stuff. Then a blank in the map, a No-Man's-Land, which white man's feet have not yet trod, at the headwaters of the Pelly and the Yukon; then Omenica, then Cassiar, then Cariboo, then East and West Kootenay—out of which the last time I figured it up, more than $270 millions of actual gold and silver have come since the first great gold rush to Cariboo and the Fraser. Now do you know that this No-Man's-Land has an actual area of 400 by 800 miles? Do you know that the two biggest mining corporations in the world—the one that made its biggest strike in the Transvaal, the one that to-day owns the best mines in Mexico—have to-day their engineering scouts with

secret prospectors traversing this land? The mother lode of all Yukon's wealth, the mother lode of all Cariboo's and Cassiar's wealth—is supposed to be up there. I have talked to their engineering scouts. I have seen specimens of their finds and I have seen what their finds asays; and I confess it rather makes my hair rise up in kinks of wonder. One can guess without any prophecies where the next great gold rush is going, though I do not know when is is coming. But I do know one of these corporations has spent $300,000 scouting this region in 1920, and another is negotiating for a couple of hydroplanes to go in in 1922 with supplies. We Canadians are so prone to wait till foreign enterprise demonstrates its faith, then to howl to High Heaven about "foreign interests gobbling us up."

Look at your map again!

Below the Kootenays, Montana's mineral wealth and Idaho's; South, the wonderful Hearst mines of Deadwood, Dakota, the gold of Nevada and Colorado, the gold of California, the copper of Arizona, the gold and silver and copper of Mexico! Have you any doubt what our No-Man's-Land holds hidden away?

Doubt of traffic for these three transcontinentals!

It is to laugh. It is a bout of political spleen, or after-war depression. Laugh it out of your system! With a heritage such as the Lord has given Canada, if we sit on the edge of the Promised Land and grouch and grump and grumble, we deserve not "the lifting kick," but to wander for a hundred more years in the desert of hard times. I should like to see every pessimist in Canada to-day hooted into oblivion. The danger is not when a nation is coming up out of the trough of such depression as our War Slump. The danger is when we

are on the crest of a prosperity that we lose our heads. Now is the time to be optimistic; and in ten years I predict we will have to put brakes on our prosperity; and even now, coming out of the War Slump, there is little poverty in Canada. There are five jobs for every man that exists to do a job, if he will leave the town and take the job offered in lumber woods, or on farm. Our one great, great, great lack is Labour—labour for the railroads, labour for the lumber mills, labour for farms, labour for the clearing of the timber lands. The world needs ten times more of all than Canada is turning out; and if output slumps, it will be because overhead is so high, the world cannot afford to buy.

Come back to Canada's National Rails, which I see a stump orator has just described as in "a horrible mess because of the damnable Tory Government in Ottawa."

Now as a matter of fact—what a beastly "thorn in the side of a friend" are little facts—as a matter of fact, it was not a Tory Government put through the Canadian Nationals. It was a Grit Government, the best and greatest Grit Government Canada ever had; and it was a Tory Government, the best and greatest Tory Government Canada ever had, that carried on the Nationals, which the Grits inaugurated. All honor to them both! Let Canada be fair and square, even if it doesn't make hot stuff for party politics.

Canadians are told to look at the figures at which our Nationals are quoted as to bonds on the world market to-day. I want to say even in the trough of the War Slump, Canadian Nationals are not quoted as low as Santa Fe and Pennsylvania were in their hard days. I am not yet half way through the joyous period called life, and I can remember the day when Santa Fe hung

from 13 to 31, and Pennsylvania is now the 30's. When I visited the East for the first time after being brought up in the West, a friend's family estate was being wound up. With that bumptuous faith in the West, which it has always justified, though we were in a slump at the time, I asked the family why they didn't put their money in C.P.R. Their family lawyer turned on such youthful advice in a withering blast. "What fool gave you that advice?" he said. "Why, it isn't worth 48." Yet, we saw C.P.R. go to almost 300; and when the lawyer died after being lieutenant-governor of his province, he held C.P.R. stock; and C.P.R. and Santa Fe and Pennsylvania are the three soundest, most efficiently managed railroads in the world to-day. I look to see Canada's Nationals become the same within ten to fifteen years, if the Canadian people uphold them, no matter what party is in power. They are Canada's now, and can be made a source of untold wealth to Canada.

To be sure it was a heartbreaking tragedy that after having spent so much money on them, the War Slump came and broke their back; but neither the G.T.P. nor the C.N. caused the War, nor knew the War was coming. The wise nation, like the wise individual, is the one that sees to it that every kick is a lifting kick up stairs, not a tumbling to the door mat. Let Canada make the best of them!

I have been told "money was squandered." Possibly it was. I think it was in certain needless duplications, where the trackage parallels, where only one track is being used to-day; but if you know any railroad in America that didn't learn to be wise by its own mistakes, please tell its name! I could tell you a place in the

Santa Fe, where they are yearly bettering the track and lessening the cost of hauling freight by straightening the curves; and I could tell you of one place on the Harriman Lines and another on the Hill Lines, where they avoided the two long sides of a triangle by buying at a very high figure new lines that gave a shorter haul across the base of the triangle. If you want to know the spots on those lines, look where the East and West on these lines bought into straight North and South lines—they explained to get haulage to New Orleans.

When I took the Canadian Nationals from Vancouver up the Fraser and Thompson to Jasper Park, I passed through a railroad station that would have done honor to New York, or Washington, better than anything in Philadelphia, or St. Louis. When I was last in Vancouver, the site of that railroad station was a mud puddle. I call that money well spent both for Vancouver and Canada. I only consider it a tragedy for the builders that there had to be taken out of their hands what they had "builded better than they knew." I hope some day the story of all the builders in Canada will be told—told in its entirety. They were not saints. Thank God for that. If they had been, they would not have been builders. They had to use the instruments next to their hands; and sometimes the instruments were politicians, who would not put through a charter without a greased palm, and then gave away what belonged to the people and not to them; but we—the people—elected them. And sometimes the instruments were contractors, who were rogues. Well, of the contractors who were rogues, I don't know one who isn't "broke" to-day. I know some who are serving in the penitentiary. And some of the instruments were labour

agitators, who drew a salary to stir up trouble and preach "don't work." But the point is—those builders left us something that stands for plus; and that is what counts. And the politicians, who were rogues, whom we elected, and the contractors, who were thieves, whom we sent to the penitentiary, and the labour agitators, who were simply drawing salaries for wind instead of work—didn't leave us anything but minus and a grouch. I don't like such gentry, and they like me less.

I have already touched on the possibility of the National Lines from the prairies to the Pacific. On the Pacific the Nationals have not yet remotely begun to develop their possibilities. Take the Inside Passage Way down from Prince Rupert to Vancouver and American points. As a scenic route, it is the most beautiful thing in the world. There is nothing in Norway to approach it in beauty. I shall not try to describe that beauty. I shall do it elsewhere, in another place. There is nothing on the East Coast or the West Coast of America to approach that beauty. It is a sea calm as a mill pond, with a Rocky Mountain panorama of moving pictures in color on both sides. It is a Grand Canyon of Colorado with the sea between. I suppose you know that the Grand Canyon of the Colorado is what has made tourist traffic the great source of income to the Santa Fe. Well, here is a Grand Canyon for two days and a night with a sea calm as a mill pond! Do you know how many steamships our Nationals have for tourists? Two! They could fill twenty to the roof. I was told the rains would fall on me so continuously in this region that I would begin to sprout shoulder feathers like a duck, or fins like a fish. I was on this

coast for fourteen days in the transition period from summer to autumn, when the rains are supposed to deluge your soul with gray blankets of mist and depression. There was exactly one shower, and it was at night. I suppose people, who hope for the very worst, will say that was a Satanic pre-arrangement to delude me. Well, I was deluded, I was deluded into thinking it was the most beautiful coastal trip in the world; and I know the coastal trips of America from Labrador to Vera Cruz, and from California to Alaska. There is nothing else like it in the world. It is warm in winter and cool in summer, and beautiful as a dream; and our Nationals have exactly two steamers to handle the tourist traffic.

That is as to tourist traffic, in a region bound to become a great winter resort for the Inland North, and a great summer resort for the Inland South. There is practically no National steamship service to get the Oriental traffic, no steamship service to get the Alaskan traffic; and this coast is bound to become the head of navigation for the great No-Man's-Land of mines at the headwaters of the Yukon and the Pelly and the Liard.

Again, it is to laugh!

How about freight traffic?

I am afraid to set the figures down here without quoting verbatim from the lumber companies and official forest men in Government Service. I would be told the scenery had gone to my head. It has. So have the facts as to freight traffic. The most heavily timbered areas in the world are on this coast. They have been barely scratched by development.

Here is an official forest survey for British Columbia of four acres average on Queen Charlotte Island—

First acre, 142 thousand feet of spruce.
Second acre, 137 thousand feet of spruce.
Third acre, 147 thousand feet of spruce.
Fourth acre, 132 thousand feet of spruce.
Besides are 30 thousand feet in hemlock.

This lumber was going on Eastern cars at $35 to $38 a thousand. It sells in New York and Pennsylvania at $75 to $150. I happen to have proof of that, for I have just paid a bill. Will you please estimate the value of these four acres for yourself?

And so I repeat—Stop knocking Canada's National Railways. Back them to a finish. You have to back them, or lose out on one of the best possibilities Canada owns; and this is without reference to another area of timber and of mines and of scenery up the Thompson on the Great Divide.

CHAPTER XIV.

What Is Happening In The American Fur World And What It May Mean To Canada.

When I lived in the Canadian North-West, we were horribly and foolishly sensitive about being told we had a cold climate. We would meet on the streets of Winnipeg in forty below, with a wind straight from the North Pole blowing us off our feet; and we would cuss the climate; but if an outsider said it was cold—especially if the outside foreign press said it was cold—we could prove "you didn't feel it." Of course "we didn't feel it." We had wedge-shaped fur caps down over our ears; and we had fur coats down to our feet; and we had storm collars to button across our faces; and we wore fur gauntlets to our elbows and felt-lined overshoes half way to our knees. Of course, we didn't feel it. Besides, if one unreefed in that kind of a wind we froze so quick we didn't feel it till some stranger accosted us on the street with a polite—"Excuse me, your ear is frozen," "Beg pardon, but your nose is white as wax," when off would come the gauntlet, and with fur side vigorously applied we restored the recalcitrant member of our anatomy to proper functioning, brushed the icicles off our eyelashes, and for the next ten minutes "felt it all right," I give you my word of honour; for once when I was very green and very young, I had experience on the prairie with both my feet, and I

danced the tango twenty years before there was any tango, with feelings I don't like to recall to this day.

We were so supersensitive about our cold climate that it led to abolishing "ice palaces" and excursions to winter sports in Montreal and Quebec for fear these very delightful functions would hurt our reputation as a home for foreign colonists.

And as I look back on it now, it was all very foolish. I have since spent winters in every part of America from the tropics to New England, and learned to thank God for our cold climate. Instead of apologizing for it, we ought to have stuck out our chests and capitalized it as a cash asset.

You remember how Kipling poked fun at our false shame—about "the small boy of Quebec who was buried in snow to his neck, but when asked 'Are you frizz?' he replied 'Yes—I iz, but we don't call this cold in Quebec." And Kipling had been brought up in the tropics, and was living at the time in New England, where what they call the Nor' Easters bury the roads from fence top to fence top in a pack, then sleet that over with ice, so that if you horse takes one step off the shovelled-out tunnel, which they call the right of way, it means either a broken leg, or a broken shaft, or you have to get out in soft slush to your waist and shovel him out.

In all the years I lived in the North West, I never stayed in a single day on account of weather; and I can't say that of New England, where I have been imprisoned for three weeks, because I wouldn't risk my horse's legs. And I can't say it of California, or New Mexico, or Arizona, where I have had worse attacks of influenza from dust storms than I ever had in the North

from cold. And I can't say it of New York, where I have seen every car line tied up for three weeks and every garbage can stand unemptied for six weeks because the sleet iced the snow into such adamant the streets were impassible for motor or horse. And I can't say it of the tropics, where a combination of matted verdure and scarce bad water produce such intestinal disorders that they are a perennial pest and easily account for a decreased output of energy among workers of 20% to 40% in the worst seasons.

We ought to have stuck out our chests about our cold climate because it supplied a constant source of subsoil moisture seeping down from the four foot frost as storage for the summer crops. It rid our soil of all such crop pests as worms and bugs and weeds. It rid our atmosphere of all germs of the languid diseases—such as yellow fever and ague and malaria and what the Spanish call "vomito"; but best of all, it gave us the red-blooded energy of being always 100% alive and robust—not just 50% alive. A year ago I would have given all I owned for just one bottle of 40 below zero Manitoba A1 hard water to get malaria out of my bones; but there we wore, and do yet, a big chip on our shoulders about our cold climate, which is a cash asset we ought to shout from the house tops.

All this is apropos of furs; for the same false shame about our cold climate makes us equally supersensitive and foolish about Canada's natural resources in furs. We don't like any reference to Canada as "the great fur farm of the world"—which she is—though in ten years I venture to say the tremendous changes in world fur trade will bring Canada as big cash returns from her fur fields as from her grain fields.

Something is happening to the American fur trade so swiftly that reported figures can hardly keep pace with facts; and as I think Canada ought to know these facts, I am not going to apologize for referring either to our climate, or our fur domain of the Far North.

If Canada does for her fur domain what the United States Government is doing for Alaska, she will hold the whip handle of the fur world. I know that London, Leipsic and Nijni are going to fight to get the markets of the world fur trade back; but Canada holds the key to the situation, and I want her to keep it. Nor am I going to express opinons. I am going to set down the facts of what has happened and is happening. Then you can draw your own inferences as to what course Canada ought to follow to reap, not 10% of the benefit, but 100% benefit, from the changes in world fur trade which have happened in four years.

First, the world fur markets of the world fur trade were forced by the War to come to America. Formerly, the world fur markets of the world fur trade were in England, Germany and Russia. This applies to all three divisions of the fur trade—

(1) The selling by the trapper and hunter of his raw furs to the little buyer.

(2) The dyeing and the dressing of these furs, which entails the employment of millions in capital and certainly half a million people in industry.

(3) The manufacturing of these dressed furs into felts, hats, trimmings, coats, whole pieces and parts, and the selling of these manufactured furs to the trade through departmental stores and special fur stores.

You have only to look at these three transfers to

realize how impossible it is to put in figures the tremendous profit this entails to trapper, trader, dresser, worker and manufacturer; but I can give you a few figures.

Before the War, the United States bought of raw furs and exported of furs dressed and undressed less in the aggregate than $40 millions. To-day, the United States imports and exports of furs over $106 millions; and this is only a beginning. When fur auctions began in St. Louis in 1913-14, a total sale of $6 millions was considered phenomenal. St. Louis fur sales for 1921—at a price drop of 30% below 1919—will exceed $60 millions. The same story could be told of New York fur auctions for 1921, except that the aggregate runs from $10 to $12 millions for each of New York's three sales; and Canadians know what happened in Montreal last spring, even discounting certain features—which I shall touch on later—when otter, which ordinarily sells well at $25 a pelt, brought $100, and silver fox, which didn't bring $200 before the War, sold at $1,200, and marten, which we used to think high at $30, went under the hammer at over $400, and muskrat, which I have been offered up on Cumberland Lake at 12c, and which buyers consider high at 90c, sold for $6 to $7. I recall the day when we would not buy red fox in Manitoba at $10. At one of these spring sales red fox sold at $90.

Before the War, only a few hundred people were employed in New York and Brooklyn dressing and dyeing furs; to be accurate, I think the all-the-year-round employees numbered about 800, more or less. To-day, in Brooklyn and Newark only, there are 12,000 skilled dyers and dressers earning an average of $106 a week, and at present moment, 10,000 of them are on

strike for higher pay! And it is estimated there are 60,000 people in Brooklyn alone supported by the fur industry.

Before the War, one of the biggest dye firms, exclusively devoted to dyeing muskrat into Hudson Seal in Brooklyn, almost crowed its head off with pride when its yearly total went up to 200,000 muskrat. In 1919, that dye firm totalled 4,000,000 muskrat; and in 1922 they expected to dye 7,000,000 muskrat. That is—they have contracted with the trade to deliver to the manufacturers 7,000,000 dressed muskrat.

I should be afraid to set down the figures on rabbit dyed into electric seal; for in London they are now using 90,0000,000 rabbit skins a year; and in the United States they are using more.

I could go on down the list giving equally spectacular figures.

For instance, before the War this country imported of the skins known as Persian Lamb, which are not Persian at all, but karakul and broadtail and astrakhan from Bokhara and krimmer from Crimea—a total of $14 millions. It is expected by 1922 the entire supply can be drawn from karakul fur farms established in this country; and one big buyer told me he considered the skins that came on the United States' market this year from United States' fur farms as good as the best from Bokhara.

Canadians need not be told anything about silver fox farming in Prince Edward Island. It has been the great triumph of domesticating fur bearing animals of the century; and has sent the price of wood lands in Prince Edward Island higher than farm lands. That collection of $500,000 silver fox skins at the Montreal

sale of 1920 was something never before excelled in the long history of the fur trade; and it marks a transition that is startling—the transition of the fur bearers from wild life with all its cruelties to domestic life with all its care and painless death. When you have a pair of silver foxes registered, true in their progeny for three generations with no throwback to cross fox or red, you have what a fur breeding fancier may pay $10,000 for, or $35,000, which is the top price to date; and you can bet your hat those foxes will get the care of a millionaire baby; for they may litter nine a pair; and each pup may be worth $500 to $2,000, which was the top price for silver in London in 1920.

It is only ten years since the biggest buyer of raw furs in America told me "fur farming could never pay." And fur farming is here, and it is here to stay, and it is here to pay.

Or take the come back of beaver!

When I left Canada some eighteen years ago—left it reluctantly with my heart in my boots—beaver was so nearly extinct that Ontario and Quebec had clapped on a period of closed years. Last year, beaver was so plentiful in Algonquin Park that land owners adjacent to the Park had to request the authorities to break down the beaver dams to prevent the flooding of land; and the only reason beaver did not sell high at the sales was that the closed years drove beaver out of fashion and supplanted it with nutria, an inferior South American fur; and this has given the beaver a chance to multiply. It is only fur farming in another form; and the use of $9,000,000 motor cars in this country a year is going to renew the demand for beaver; for nutria will not stand hard wear, and beaver will.

Buffalo coats, in which we used to glory in the old days in Winnipeg ($45 a coat), are so unknown to the trade here that hides sold at only $65 and $75 in the 1920 sales; but buffalo have come back from a few hundreds ten years ago to 6,500 in one Canadian Park—Wainwright—only.

All this is fur farming under another name.

Or take the U.S. Government fur farming of Alaska Seal. I don't wish to go into the question of Pelagic Sealing. Canada is as sore on that as Nellie McClung is on sheep; but when the U.S. began fur farming seal, the annual catch was down to 6,000 and the herd—old and young—down from 3,000,000 in 1867 to 196,000 in 1912-13. To-day there are over 500,000 seals on the Seal Islands; and by 1926 it is figured the herd will be back to over 3,000,000, when the old controversy may be opened again by any South American country, which was not a signatory to the Treaty, scouting Pacific waters.

I simply give these figures to show you what fur farming will do, and to let you draw your own inference as to whether anything is happening in the world fur trade. If you want more figures, write to Mr. White of Canada's Conservation Commission, to whose wonderful work Canadians will one of these days waken up. If the Dominion Government and the Provincial Governments support what Mr. White is trying to do for the Canadian fur trade, he will one day give them as big returns in furs as Marquis and Red Fife wheat have given in the hundreds of millions. The returns will come in raw furs, in dyeing, in dressing, in sending out manufactured furs.

I hardly need to tell how the War forced the transfer of the world fur trade to Canada and the United States.

Europe was destitute of money. The United States had oodles of ready cash. People were buying furs who had never bought before. Ocean transportation blocked the export of furs from Russia to London, and they came by way of the Pacific here. The same thing happened to South American furs. They could find no sale in Europe, and came here. Then the Leipzic dyers could not handle the squirrel and Persian lamb, which had been their great specialty, and they came here.

Then the manufacturers of America determined once and for all to win their independence of Germany for a supply of dyes. By means licit and illicit, they got the dye formulas. Banks advanced dye works millions to get the industry established before the War ceased; and the dyeing and dressing of furs is in America and Canada to stay.

Fur fashions became here a sort of frenzy that grew by what it fed on—summer furs, which will pass as a fad; furs for trimmings, furs for evening gowns, for wraps, for rough weather, for summer motoring. And furs are the most beautiful setting for any face, old or young, man or woman. There is a fur for every complexion, for every color of hair, for every age, for every season—chinchilla and gray squirrel and mole for light evening wraps, fox for neck and street pieces, full coats for rough weather and motoring. A point of saturation will be reached when the foolishness of the frenzy will pass, and you won't see a fox skin round a young girl's neck when it is 90° in the shade in Baltimore or Washington; and you won't see girls parade Fifth Avenue with fur fluffs on their high heeled shoes like wings; but a rich careless spending nation, which has

once acquired the taste for furs, will never lose that taste and go back to pure wool, especially as pure wool is going higher and higher in price, and dye processes are putting cheaper furs within the reach of the poorest buyer. Furs are to-day in the United States what diamonds used to be in the old blazing horse-show days, when people went to see the diamonds, not the horses. Why, this year, I saw on the most costly dressers in New York little harp seal coats from Newfoundland, which we used to regard as good only for blubber and oil. I have, in fact, one such rug as I write.

The whim will pass, but America to-day is the biggest buyer and the most reckless buyer of furs in the world. The reckless buying will pass with fuller knowledge of what is worth while and what isn't; but a people once transformed into fur buyers will be fur buyers always.

And the sales and the dressing and the dyeing and the manufacturing are here to stay. Why not? Why should we Canadians sell muskrat at 19 to 25c, ship it to Germany and Paris, and buy it back as Hudson Seal at an excess of 2,000 to 3,000%? As the traders say—"I don't think! Never again." To be sure the ignorant fools who rushed out and paid high prices for unprime muskrat at Norway House—$4 for pelts worth 50c—got stung in the sales and had to buy back their poor furs and lost every cent they had. All the better for the muskrat at Norway House! These fur gamblers will never again buy unprime skins, or try to skin the old wolves of the trade! They have skinned themselves for all time, and will have to get out of the trade; but that is all the better for the trade. Old traders never buy unprime skins; and if you take skins only when they are prime, you give the muskrat time to multiply and

keep the supply up. Let the gamblers in the fur trade get out for good and all! When a good muskrat sells for $7 and a poor one for 10c to be used in felt, these gay gamblers have had their lesson. When a perfect silver fox sells for $2,000 and an unprime for $1.50, which happened in one sale in 1920, some fool learned a lesson; and the whole silver fox tribe got their revenge.

But there was a subtler reason why the fur sales would ultimately have come to America, even if there had been no War; and this reason is such a red hot end of a poker I want to make it clear.

European traders have fended off the day of transfer for a century. They have fought the movement tooth and nail, fair and unfair, in court and out of it; but it had to come; and I can explain the reason best by a well known case of 20,000 Canadian beaver or 20,000 Canadian inland Arctic fox.

One year before the War, both these furs had been bought from the trapper on the field at from $7.50 to $10. There was a sudden demand for fox in American fashions—I think it was the year when white trimmings were the vogue for evening wraps and young girls' evening gowns. The prices went up for white fox undressed here to $20. But the 20,000 white fox sent from Canada that year couldn't reach London before December, or be sold to the trade before March or April. By March or April, the fashion had changed and that consignment had to be brought back and put in storage for five years. That very year, London got some 20,000 beaver. She dressed them and shipped them out here. Beaver was out of fashion here, as it is yet. That consignment could not be cold. There was a loss that represented $400,000 in white fox, $400,000 in beaver,

which ate its head off in interest charges straight through the four years of the War, and those two consignments will either have to be sold at a loss, or cost the ultimate buyer, at 6%, $120,000 each consignment more than was necessary. When these two cases were drawn to the attention of the great European fur brokers, their sententious answer was—"Yes, but we can afford to drop all profits and if necessary a million or two in loss, rather than lose the fur markets of the world."

But that hurts the ultimate price to the Canadian hunter and the ultimate price to the consumer; and that is the real reason why fur sales of American and Canadian furs had to come to the United States and Canada.

The laws of supply and demand break us. We can't break them. We can only throw a monkey wrench in the machinery, that comes back on us as a boomerang.

Second, I want you to consider where the great natural fur domains of the world's supply lie. Furs are best from three sources—

(1) In cold climate, where the pelage is deepest and strongest, which is why beaver is stronger and more durable than nutria, Alaska seal than muskrat, marten than chinchilla.

(2) Near fresh water rather than salt water, with the exception of the Alaska seal and sea otter, which is almost extinct.

(3) In timber or brush wood shade, with the exception of the pure white furs, which are best from the Arctic.

Only three domains in the world answer all three requirements—Northern Russia; Canada North of

Belle Isle to Athabasca and the Pacific; Alaska.

From these three domains must come the world's future furs.

Russia may be written off the map for twenty years. Sable was becoming scarce before the War, and the Imperial Government was just beginning fur farming and protective measures, when the Bolshevists came in, where there has been a closed season for nothing but decency. Game laws have gone by the board. Every hunter has been a law to his own lawlessness. Furs have been looted and smuggled in a mad orgy, prime and unprime, sold for a song. It would not be surprising if by the time the Bolshevists finish with Siberia, her best fur resources could be written down **nil**, as the sea otter is already all but extinct. Only seventeen sea otter came on the sales lists in 1920, compared to two hundred ten years ago, and 100,000 a year a century ago.

You can ignore Russia as a fur domain for twenty years.

That leaves Alaska and that belt of Canada from Labrador to Athabasca diagonally North West as the world's fur farm for the next century, a fur farm called on to clothe in furs the whole world.

Won't that exhaust Canada's fur resources?

Mr. White thinks it will. It will if we do as Russia; but in the light of what the United States has done in Alaska, and what Canada is doing in fur farming (1) silver fox, (2) beaver, (3) buffalo, I do not think it need or will exhaust Canada's fur field.

I have spoken of the seal herd being restored from 196,000 to over half a million in ten years. That is a sample of other work in Alaska. Incidentally, Alaska cost Uncle Sam $7,200,000 in cash, and in patrol work

about $2 millions. Up to 1919, Alaska had returned Uncle Sam in furs $80 millions.

There is at present no way of computing the value of Canada's fur farms; so little have we heeded our great gold mine in furs. The United States buys from $13 to $14 millions of raw furs from Canada a year. England must buy many times that. I should say Canada's fur crop used for local needs and foreign would not be under $50 millions annually. Her foreign sold furs must exceed $30 millions; but undressed furs are not dutiable anywhere, and though you add all the Canadian furs sold in London in a year by all the fur brokers and all classified here as Canadian, you can't be sure little traders and trappers do not export by mail just as many furs as go out in regular bulk shipments to the big sales. Neither can we be sure that much sold as Canadian is Canadian. I know one consignment of 12 million small skins sold as Canadian that came from Australia, which gives an altogether inferior fur. We haven't even attempted to standardize a crop that in four years may be worth $100 million to us. Sales here have increased ten times in price in four years, and they certainly will in Canada.

What then should Canada do?

I said I wasn't going to set down inferences but facts, which would induce Canada to stop apologizing for her cold climate and throw out her chest and thank God for an atmosphere that builds and breeds men 100% alive.

One more fact on what Uncle Sam has done in Alaska. Blue fox used to command about $10 to $20 a pelt. They now run high as $200 and $300. Why the difference? Fur farming again and care, and no

unprime skins and painless deaths, so that the fur does not shed like the hair of a fevered patient. I am not going into the question of what a blue fox is, or I should be in the midst of a furious scrap between the naturalists and the fur traders; but the fact is blue fox used to run with white fox and have all kinds of mongrel off-color babies. They used to be hunted with dogs and traps that injured the fur. They used to be the prey of wolves and such "varmints," as the trappers call them. They used to be trapped by the Indians prime and unprime; and they were rapidly diminishing in numbers to the vanishing point.

First Uncle Sam segregated the little rascals so they could not contract undesirable matrimonial alliances; for the fox prefers to mate for life if he is allowed to be a good decent moral fox. That is, certain of the Aleutian Islands were given to blue fox farming—the islands rented at $100 a year. Then the white foxes and the wolves were killed off; so the blue fox could raise his family in peace. Then if rabbits, or sea birds, or eggs, or fish, were scarce—which they seldom are—blue fox was fed by the game wardens, who were animal lovers as well as wardens. The bodies of dead "bachelor seals" or salmon were fed to him. Hunting by dogs and traps was stopped. Both injured the fur and frightened the fox. Box traps were used. Before the trapper could take his fox from the box, a game warden had to inspect it. If the prisoner were a lady, she was branded and let go. No don't scream. She wasn't branded with irons. She had a ring carefully scissored in her fur round her tail; and any trapper found with a "ring tail" fox got his furs confiscated, with a fine of $500 if he did it twice. If the fox were

young and small, he received similar treatment; and he couldn't grow the fur in that ring inside another year. If his fur were unprime and would not command a good price, he got another lease of life. The game warden would stamp for export only full grown males taken in perfect and prime condition as to fur. It hardly needs telling if the superfluous males were not killed, they would fight among themselves, with crueller death than the painless deaths the fur trader now demands for a perfect high priced pelt. Chloroform is one form of death. If this is not possible, a quick blow on the head ended "the superfluous male's" happy life. In nature is no such thing as a painless natural death. Under the fostering care, blue fox farming is attaining almost the same measure of success in the Aleutian as silver fox farming in Prince Edward Island.

What should Canada do?

There are the facts. Judge for yourself. Considering what is happening in the fur world here, I should say in the rough—farm her fur domain carefully as she is farming wheat, and do it for all she is worth, and do it before it is too late.

Prices slumped back a little in the last London sales; but furs will never be cheap again. The slump will drive out the gamblers; and the Indian hunter has never been the chief sinner. The Indian will always be guided in his hunt for game by the white buyer. The game hog has been the white man. Abolish or tax him off the map.

Northern furs can be a second and permanent Klondike to Canada. Let her guard her fur gold mine to which all the world looks for supplies.

The idea has gone broadcast that "the fur market is completely shot to pieces."

It is well to recall the fable of the thief, shouting "thief—thief" to cover his own get-away.

What has been "shot to pieces" is not the fur market but the gambler; and he is so full of small buckshot just now that his howls resound round the world.

Retail prices on good furs—please stress the word **good**—have receded not a jot. Trade demands for **good** furs—stress **good** again—have curtailed not a jot. The trade absorbed 4,000,000 muskrats last year in the United States. It demands 7,000,000 this year.

What bedevils the American fur market in 1921 was the fact warehouses were crammed with second grade and poor and no grade furs.

What happened was this:

The Seventh Avenue bar room gamblers of New York sensed the coming boom in furs. They had played out the gold brick game in Nevada. They had worked the oil boom in Texas to its death. The country had gone "dry"; and "wet" was proving dangerous. Furs offered these gentry a new game, where illicit whiskey might play a winning part; so they hied them to the Canadian North-West in 1919, to Siberia, to Kamchatka, and with a good stock of illicit whiskey and dope, and about as much knowledge of furs as I have of differential calculus, they set out "to bust the old companies" by buying furs at fabulous prices right under the old traders' nose. The old traders were a bit staggered, and at first bid against the newcomers. The Indian isn't a fool. Neither is the white trapper. They sized the newcomers as "boast kikes"—as one of the buyers described them to me; and they tipped the trappers and Indians off "to soak them for all the traffic would stand."

The Indians took the advice. They took it so literally that poor muskrat not worth 10c—taken out of season and likely to shed hairs—was sold for $4 and $5; and white fox turning dun color for summer brought almost $100. The Indian trappers did their job so thoroughly they can afford to quit trapping for several seasons and laugh! The pity is—the illicit whiskey and dope left their effects on a fur trade world more debauched and unclean than it has been in a hundred years, when the old companies were locked in bitter fight; and whole tribes have been so demoralized that for the first time in a hundred years white men's caches of provisions are no longer safe. The Indian does not commit murder as he did a hundred years ago; but if he does not want his tribe debauched, when the whiskey scoundrel goes into the wilds with dope, the red man has another remedy. He goes in behind the white scout and destroys every vestige of every cache. When the white scoundrel prepares to come back on his trail, he has neither the goods to barter nor the food to sustain him. He may come out alive, or he may not; but the Indian has not committed murder—that is clear. I could describe such a scene, which I witnessed coming out of the North; but the details of the debauch are too obscene for print. Suffice to say, the only constable on hand was one man to six and didn't make any arrests.

Prices were fabulously high all 1918 and 1919 down to the Spring sales of 1920, when it was perfectly evident at the auctions that while good furs never sold so high, poor furs were being bought in by their owners. The gamblers were then in a quandary what to do with the poor furs they had bought at such a high figure the trade would not touch them.

The banks solved the problem by closing down advances and seizing the furs, which were consigned to the auction rooms to be sold for what they would bring. There followed the sealed private sales of furs this last fall to clear the warehouses out; and you could hear the laugh of the old companies all the way from London to Athabasca and Peace River. They helped the slump along by foregoing all profits on 1920 fall sales and slashing prices another 50%.

Buyers out on the field for the gamblers got rush wires and messages by scouts not to buy **any** furs at any price. Fur journals were asked officially not to boom prices but to sit tight till the crisis passed. Trappers, who came down to selling posts with last year's catch, could not sell in the summer of 1920 at any figure but slaughter prices. Many did not sell at all but stored their furs in the banks, and took jobs in mines and lumber mills and on rail tracks for the season. Some sold low and let go, but did not get enough of an advance to outfit for 1920-21.

The result will be threefold:

Game will increase in the North.

By the spring of 1923, the warehouses will be cleared of the poor furs, which will be dyed and dressed and released to the retail trade for what they will bring.

Good furs are still high in price, and by the fall of 1922 will be scarce owing to the stoppage in the hunting field for 1920-21.

The companies who have played safe and cautious will weather the storm. As for the gambling gentry they are out of the fur trade for a century, richer in experience but poorer as to pocket; and all lovers of the fur trade are wishing them God-speed and Amen!

CHAPTER XV.

Why The Western Farmer Shied Away From Organized Labour—Which Are The Big Coming Cities of The West—The Labour Deficits On Railroads—Wages Of Statesmen Versus Mechanics.

Why the Western farmers shied away from an alliance with organized labour can best be understood by reference to three staple food products—

(1) Apples.

(2) Beef.

(3) Wheat.

I had on my farm, eighty-two miles from New York, 400 of the best grade one apples I have ever raised—Kings and Spies exceeding in size the legal measurement from one inch and three-quarters to an inch and a half, and flawless—also 200 barrels of Baldwins, not so fine to look at but better and longer keepers. Like thousands of other growers that year, I fed them to hogs, or let them rot on the ground, because it did not pay the cost of picking to ship them. It did not net me one-quarter of a cent each to ship them; and that quarter cent did not pay the wages of picking. Yet in New York City—the best highest priced market in the world—poor apples were selling on the street for 5c each, good apples for 15c, and one apple on a hotel menu, 30c.

It did not pay to ship them for the following reasons:

It used to cost me $1.50 a day—10 hours—to get 12 barrels picked and packed, or 12½c a barrel. When 8 hour days were established by law for the railroads, farmers to hold their help had to increase wages in the proportion of 2 more hours' pay for an 8 hour day. That brought the cost of picking up to $1.80 a day. When industrial wages were increased 300%, farmers to hold their help had to increase wages in proportion; and packers cost $4 a day and board, which equalled $4.80 a day, or 40c a barrel for picking.

Freight went up from 27c a barrel to a few cents under $1. Freights went up to pay for the shorter hours and higher pay of rail workers.

Barrels that used to cost me 30 to 35c now cost me slightly over a dollar for barrels of legal standardized size. Barrels cost more because the wages of coopers have gone up from $2 a day to $4 and $6, and the wages of lumber men from $2.50 and $3 to $6 and $11, according as they are skilled or unskilled.

Trucking in New York used to cost $4 to $5 for a 10 hour day. It now costs $8 to $9 for an 8 hour day. When I deduct cost of picking, of barrel, of freight, of returned barrel, of trucking, of commission, I have less than net 75c for a barrel of perfect apples, a deficit to pay on second grades.

The consequence is I stop shipping, and the cost of living goes up to the city consumer. The farmer can feed his family with his apples, feed the rest of the crop to his hogs, sit tight with a roof over his head and a full stomach, and let the 8-hour-a-day, high-pay city gentry eat hay, or appeal to charity and the bread line for food. If the farmer did otherwise, he would go bankrupt, as thousands of farmers in 1921 did go

bankrupt from falling prices in farm products produced at the high scale of wages for short hours.

Or take beef.

Freight on a beef to New York used to cost me $3. It now costs me $7. It cost me $7 for the same reason freights increased on apples—to pay for a shorter day and higher pay. Also because terminal handlers jumped pay from 30c an hour to $1 an hour, I have certain new yardage charges $1.50 to pay. When I deduct these and commission for selling, a $60 fat two year old, or fat cow down in her milk yield and turned into beef, nets me only $30 to $37, less than the cost of the milk fed into the animal as a calf. So farmers are to-day not increasing their herds. They can kill what beef they need for themselves, sell the hide, sell a few quarters to neighbours, sit tight and let the 8-hour-a-day, high-pay city gentry eat hay; and the 8-hour-a-day, high-pay city gentry are paying 17 to 25c a quart for milk that used to cost 8 to 19c, and 40c to $1 a pound for meat that used to cost 20 to 28c.

Take wheat.

Long as wheat sold at $2 plus, the farmer could afford to keep chickens on screenings and sell cheap poultry and cheap eggs. He could afford to pay $4 to $6 for harvest hands, who used to get $2, and $8 for tractor men, who used to get $4, and 20 to 26c for binder twine that used to cost 8 to 11c; but this year, when wheat slid suddenly close to $1, the farmer pulled himself up with a jerk and began to do some book-keeping. While the areas sowed to wheat were larger in both Canada and the United States, the averages threshed out low; but large areas mean a lot of handling; and a lot of handling means a big total for high wages. I have

three relatives in the West, who run big wheat farms in Alberta and Saskatchewan. As everyone knows, owing to the short season and big areas, wheat has to be threshed off big areas direct from the stook at lightning pace to get it marketed before autumn rains and frost cut the prairie roads into such deep ruts that heavy loads cannot be hauled.

There is a tremendous demand for labour in August and September. Floating labour must be employed, most of it young and unmarried, most of it imported in harvest excursions. All the year round hands cost this summer $75 a month and board. Harvest hands came in for the threshing at $125. Owing to the late spring and the late summer rains, harvesting was late. Threshing came on at a terrific rush. Threshing hands began at $6 a day. Came labour delegates, I Won't Works and One Big Union agitators among the crews of threshers. The floaters went on strike for $7, and took holidays in the midst of the threshing to show their power. Fall weather was impending. Snow and rain fell in some sections. The farmers parleyed for a couple of days and raised to $7. Work resumed for a few days, and the floaters took another vacation and struck for $8. This happened till on some of the big farms employing transient gangs and not having year-round gangs of their own, the pay touched $9 a day and board.

Funny—wasn't it? The trouble makers and agitators thought so; and chuckled. So did the farmer. The joke was on him and he grinned; but "he who laughs best laughs last." Said a farmer of Saskatchewan to me, "With the big areas we put in this spring, the high wages we paid our help, the strike prices we paid our threshers, and the fall in price of wheat just when we

were marketing it to beat the bad roads, the cream of our profit is gone this year. The O.B.U.'s have eliminated profits all right—sure enough. Much good a rise in prices will do us after December. Our grain will be marketed, except that of the rich fellow who can store and hold. Next year we'll do the laughing. We'll plant **only** what we can handle ourselves; and the cities can feed these high-pay, short-day fellows and tax themselves to do it."

Result—prospects of higher priced bread next year.

Who will be hurt worst?

The farmer can sit tight with a stolid silence while the city pours out charity to I Won't Works and pours out advice to the farmer. The farmer can sit tight. The city man can eat hay on a short day and high pay.

When I passed through Winnipeg, the Manitoba elections had just been held. People were asking themselves would the farmer form an alliance with the labour members and so hold the reins of power? Labour was wooing the farmer. The farmer proved proverbially stupid and wise. He refused to bait. He asked the labour delegates just what was meant by "elimination of profits and nationalizing of lands." He may have added that "profits had already been pretty well eliminated, and was the next order of business to hand over his farm to I Won't Work's"? Labour has not answered the question to date, and the alliance did not take place.

Since writing the above, I have just called in at three or four cheap little fruit shops run by Assyrians on side streets, not the expensive Fifth Avenue establishments. The very apples for which I as a farmer cannot get one-third of a cent each are selling in the shops at

2 for 25c, equivalent to 25 divided by 2 plus 300 for the barrel, equal to $37.50 a barrel.

Do you wonder farmers are sore and call for protection of their industry by a sane system of marketing? Yet New York spends annually on her marketing system over four million dollars. Who gets it?

It would only be a ducking of one's head to escape a brick-batting of facts to deny that every city in Western Canada has anticipated its future growth in municipal debts, municipal improvements, municipal taxes. I shall not go into this in detail; as every Western city knows it. It is paying for the boom of ten years ago in the inevitable boomerang.

I could tell of city limits that run eight miles out on the prairie, where city subdivisions are reverting to farms; and the sooner the better. I could tell of streets paved like a motor speed way, along which not a house has been built; and the investors owning lots on those streets are squirming under tax improvements, or letting the property go for taxes. I could tell of cities, where not one of the paper millionaires of ten years ago has a sou left intact to-day. I could tell of town sites sold in good faith, where big hotels went up, where the buildings have been torn down, and only a few shacks remain as the gravestones of dead hopes; but I shall not. The West knows all these.

But it would also be ignoring the record of every city in the Western States not to acknowledge that every city at present existing in Western Canada will *some day* exceed in size the wildest boomsters wildest hopes. Winnipeg will some day be a second Chicago. Moose Jaw and Regina will some day be second St. Pauls and Minneapolises. Calgary and Edmonton will some day

be second Kansas Cities and Omahas. Prince Rupert and Vancouver will some day be second Seattles and San Franciscos. And yet another city of which the foundation has not yet been laid will some day be a Spokane in Northern British Columbia, between Edmonton and Prince Rupert.

The point is—how soon?

Is it worth while hanging on to high priced property for high future profits for your son's grandson? Will it pay to pay present taxes for ten years, for twenty years, for thirty years?

I leave Saskatoon and Battleford and Prince Albert out of these categories because, high as taxes are in one of these cities and low as bonds have fallen in another, they never laid out areas for a prospective Chicago. Saskatoon never had a boom at all. It grew rationally and naturally. So did Victoria, which bids fair to become Canada's Los Angeles, a winter playground.

Which cities have the prospects for immediate swift development?

If you examine facts rather than hopes, five loom on the immediate horizon. The others will grow exactly as local production grows. The five are Winnipeg, Edmonton, Prince Rupert, Vancouver, and some city between Edmonton and Prince Rupert. The last may be in Peace River. Or it may be in Northern British Columbia. Oil, railroads, mines, farm output, coal output will create this unknown city; but it is inevitable that in this area of 800 miles East and West, 1,500 miles straight North, such a city should not spring up as supply centre for farm, oil wells, mines, lumber, rail development. I do not wish to invoke court-martial by saying which place will become that city. It may be in

Peace River; or it may locate between Prince George and Prince Rupert. It is up to these places to invoke their local gods and local enterprise.

Winnipeg claims premier place for precisely the reasons that created Chicago, with one addition. Winnipeg has an available supply of the cheapest hydro-electric power for industrial purposes in the world. East is the Winnipeg River supply. North is the Grand Rapids supply. Ten years ago, the distance of Grand Rapids would have been considered insuperable as an obstacle to development. To-day, transmission is possible for distances not of 200 and 300 miles but 600 without serious leakage through a snow or vapor-laden atmosphere. Winnipeg has a hydro-electric supply for an industrial population of three millions. Winnipeg may not have an industrial population of three millions in your day or mine, though we are living in a swift age that discounts all previous ages, but with Winnipeg, the central wheat market for a wheat area great as the Western Wheat States, it is inevitable that factories will be located at Winnipeg to avoid the long rail hauls from the East and South, and place machinery supplies on the same parity as to price as the same supplies cost the American farmer. Farmers will not endorse high tariff on the ground of protecting Eastern manufacturers, but they will endorse it on the ground of paying the War Debt. It is either pay the War Debt by a tariff on imports—which means a tariff on sales; or pay the War Debt in direct income and profit taxes; and farmers will never subscribe for the latter, where they will for the former. That is not an obiter dicta. It is the expressed view of hundreds of farmers to whom I talked. There is no escaping the horns of the dilemma

—it is taxes on imports; or it is taxes on income and profits. But the Canadian farmer must get his supplies cheaply as the American farmer gets his—motors, trucks, machinery, manufactured foods, clothing—which he does not to-day; and the only way he can do that without paying income taxes if all tariffs were to be abolished is to manufacture what he buys where he sells. Winnipeg has the cheap power, and Winnipeg is the great stock, wheat and rail centre of Western Canada. Men have seen Chicago grow to a population exceeding a million and a half in one generation. It is a safe prediction, no matter how hard Winnipeg has been hit by the boomerang of the boom, no matter how stagnant land prices are there to-day, people of this generation will see Winnipeg touch a population of a million and a half.

Take Edmonton next. This is not to say other cities between Winnipeg and Edmonton will not far exceed a hundred thousand population some day; but it is to say that Edmonton will exceed 300,000 in our day, and that in spite of the fact Edmonton is carrying a load heavy enough for the back of an Atlas. To begin with, Edmonton is a natural sales centre for a grain area big as Texas, Missouri and Kansas combined. Peace River is that area—400 to 600 miles broad—200 to 800 miles long as the isothermal line curves North and bog or muskeg line curves away South-East. Do you realize that the area from Kansas and Missouri across Texas to the Rio Grande now supports a population greater than all Canada's population; and in that area are five cities running from 300,000 to 500,000? Nothing can prevent Edmonton becoming to the North Country what these five cities are to the South Country; and

these five cities—Kansas City, Omaha, San Antonio, Houston, Galveston—have largely made their growth in the last twenty-five years.

In addition, Edmonton's hinterland North and West has coal areas of which Canada, herself, does not yet know the value. The hindrance to the soft coal development is lack of labour and capital. The hindrance to the hard coal development of such areas as those on Bear Creek, 200 miles North-East of Prince George, is lack of railroads. All these hindrances have almost immediate prospects of solution—certainly within ten years; so one has a right conservatively to look for Edmonton's expansion to far over 300,000. That does not mean one should rush off and buy boom lots there at speculators' prices; but it does mean that one should hang on with one's teeth to what one has.

Precisely the same factors making for Edmonton's growth are making for the certain growth of Prince Rupert and Vancouver, in spite of the boomerang having given both cities almost a death blow. In addition, both places are great seaports—great export gates, great centres for oil refineries, for smelters; and the future mineral developments of the area between the Columbia and the Yukon no man can remotely guess, except to know that what Montana coppers and South Dakota gold fields and Colorado mines have done for the American West fast as railroads opened, the copper and gold and silver of Northern British Columbia do for Prince George and Vancouver. Hetty Green, Russel Sage too, used to say, "Buy when other people are selling: sell when other people are buying." In other words, sell when boom prices are at the top, buy when they are at the bottom. Vancouver and Prince

Rupert are in the trough of a war backwash to-day; but being in the trough, they are about to climb again to the crest. Land, which sold in these places ten years ago at $4,000, is for sale to-day at $600 to $1,200. I know of some lots sold last summer for taxes plus $5. More need not be said. However other Western cities may grow, these five must climb to the same proportions as Chicago, Kansas City, Seattle and San Francisco. The fifth I have not named. If I should name it, it would be a sheer guess. It may be Grand Prairie, Peace River, which has made a good start. It may be Prince George. It may be Hazleton. It may be Terrace, with a terrain much like Spokane's; or it may be some place not yet on the map, created by a sudden find in oil or gold, by a conjunction of new railroads, or some huge pulp or smelting industry; but if you measure the distance in a circle from Edmonton to Prince Rupert and Vancouver, you will see the circle has to have a supply centre to cut its diameter of 800 miles into 400.

At time of writing, the Canadian Pacific Railroad was in the market for 20,000 track workers at wages of from a day up. The Grand Trunk and Canada Northern could easily use as many again. In fact, on two sections of these lines—along the Skeena and in the vicinity of Prince George, their track repairs will be seriously in arrears for 1922 traffic if they do not get these workers. On another section up the Thompson, certain necessary changes in the track bed cannot be made unless the workers are found; and found at a wage which will not saddle Canadian taxpayers with extra assessment, to be taken out of the pockets of producers and consumers to be put into the pockets of track men, who are already earning more than college professors, teachers,

preachers, bankers, book-keepers, clerks, civil servants, farmers.

At one section of the Canadian Nationals, I was motored inland by a preacher, who was acting as a taxi-driver, and whose boys were working in the track gangs though they were educated to be engineers. For taxi driving the university graduate drew $125 a month, for preaching he drew $75 a month; so he taxi-ed during six days of the week and preached one, explaining to me "if Paul could make tents six days of the week and preach one, he guessed it wouldn't hurt the dignity of his calling to lay up something to the good against future reverses." This man had spent seven years of his life preparing for his vocation as a preacher. He had qualified in a Western University and finished in an Eastern; and I agreed with him, though not for the same reasons. I considered his experience would give him a sounder knowledge of men and affairs than study chair theories of economics and "isms." When I asked him if he thought labour was underpaid in the West, he stopped his car and laughed.

"See these roads?" he asked. "Well, they were built by interned Austrians during the War; and the beggars went on strike and got away with it. You haven't heard of any preachers and teachers going on strike—have you? Well, we are paying for the high cost of living just the same; so I thought I'd be farther ahead if I jumped in the game and earned some of the wages that are making living high, than sitting back with a grouch and paying the piper out of a meagre salary."

A high school boy explained to me he had turned track worker because his family couldn't afford the high cost of living if he didn't.

"If these scallawags keep shoving the wages up and up," he said, "tens of thousands of educated men will be forced to do what we are doing; and when that happens —the I Won't Works are goners.

"First, we will work. We will deliver the goods for which we are paid.

"Second, we have the technical education to do the job better than uneducated men. Give us a season or two to harden up our muscles; and we with brains and technical knowledge, and a will to work, will beat these fellows, whose whole aim is to lessen production. You know what has happened in the domestic help problem. Do it yourself! When we do that, these fellows will have neither a job nor a grievance. I only hope the soup kitchens don't feed them in idleness, however they care for their wives and kids. They ought to be given the exact orders one police magistrate gave them in a Western city—so many hours to take a job or get out of the country."

I was waiting for a midnight train on the Pacific Coast in September, sitting with my head against the high-backed seat of a Canadian National station. Two boys, who had evidently come up from an American ship plant on the Pacific Coast, where they had worked as steel riveters on a San Francisco ship for the American Shipping Board, were sitting with their heads against the reverse side of the same seat. I gathered they were going East through Canada to a plant on the Atlantic Coast, because the Canadian Exchange on their American money would practically pay their fare East. On the same train was an old gentleman from San Francisco with American drafts for $5,000. Exchange was running from 9 to 11, and he later explained to me

the exchange would practically pay his fare to his old home down East, and by the time he was ready to come back, if he had not used up all his money, he anticipated exchange would be close to normal. If not, he would buy U.S. Bonds from some American in Canada, and so transfer his money back to U.S. currency without loss.

I had just been reading a protest in a Canadian paper against the Canadian Cabinet members voting themselves an increase of salaries from $7,000 and allowances, to what will amount to about $12,000 with allowances, when my ears were arrested by the conversation of the two boys behind me, neither of whom was over twenty-six years of age.

"How much do you reckon you knocked down during the War?"

"Gosh, that is hard to say, enough to quit now if I want to, or to set up in business for myself. As long as we were only building for the Allies, it was easily $100 a week, $150 if we put in overtime and Sundays; but you bet when we went into the War, and we were put on piece work for speed up, with bonuses to the fastest riveters, it was a dead cinch. I don't know; but I can tell you from my pay time check book here what we knocked down for two months before the Armistice. The boss had been across to look over the firing line. When he came back, word was passed down the line the War would not last three months. We had contracts to get the tankers off the stocks before spring, and bonuses promised if we could beat time. Say—did we beat time to get those tankers off so the Shipping Board would have to take them over, and not throw them back on the Oil Company's hands? The last week before the

Armstice, B—— and I put in all overtime we could, and knocked down $60 a day easy. I would say the last three weeks we were on those tankers we knocked down easy $40 a day easy straight seven days a week—" and the other boy began giving his experience, almost a parallel.

I pricked up my ears. Forty dollars a day would be $280 a week. Knock off $80 for exuberant exaggeration —and yet it didn't sound like boasting, as it was figured from wage books they held in their hands as they compared notes week by week for periods covering two years, with slack periods during the storms of one winter, when steel supplies were held up by the storm-bound Eastern freights.

At $200 a week for the two years in which the United States were at War, these boys had earned $10,000 a year. Why not? No why not. I am glad they earned it and did not slacken up productions; but I could not help but recall the great address given by Mr. Gompers, when he returned from the Peace Conference and addressed the New York Civic Federation in a public reception to him. He declared with a dramatic sob in his voice that never would Labour remit the advantages it had gained by its heroic sacrifices in the War. I was a little vague as to what he meant by "sacrifices in the War," but the declaration was awarded salvos of applause, in which I joined.

Yet $10,000 a year for boys of twenty-six was more than Canada paid her Cabinet Ministers: as much as Canada paid any governor of her provinces: more than any Western States but three pay to governors.

Wages had just been raised on the railroads, and it was shown by a table of comparison that engineers were

earning more than bank managers, college professors, mine superintendents; that yard men and track workers were earning more than teachers, preachers, bookkeepers, bank cashiers, lawyers, trade superintendents in retail stores and export business.

Why not?

No why not, only I like facts.

Either the statesmen and professional men are being paid too low, or the mechanic is being paid too high; for the hours of the former are limited only by their physical strength; and the hours of the latter are limited —in many cases by law—to eight.

Here are some wage scales I took down in my note book as I crossed and recrossed the continent:

Paper workers, 80c to $1.37 an hour. Average age twenty-nine.

Track repairers, $5 a day. Average age twenty-two.

Lumber men, skilled, $8 to $11 a day.

Miners, skilled, $8.50 to $33 a day.

Shipyard workers, $8 to —? a day.

Longshoremen, 80c to $1 an hour.

Teamsters, $1 an hour.

Unskilled threshers for farms, $6 to $9 a day.

Tractor men for farms, $8 to $12 a day.

Engineers on railroads, in mines, in lumber mills, $200 to $385 a month.

Gold, silver and copper miners, $8 to $11 a day.

Oil drillers, $8 to $13 a day.

I don't object to these high wages; I am stating them. I want to know which end of our civil structure is top heavy; for the top heavy end is the one that turns a somersault. Also I want to know why men like Sir Thomas White and Sir Lomer Gouin exchange jobs

at $7,000 and $12,000 a year for jobs at $40,000 a year in private life. If we don't get good value from our statesmen, is it our fault, or theirs? When we lose our Clifford Siftons from public life, to see them make fortunes in private life, should we start our mud-slinging at them, or ourselves? And if you put up the beautiful theory that public men should give their services free, as Sir Somebody Kemp from Toronto did, does the same theory apply to labour? Will that theory pay off a sheriff's attachment for unpaid bills tacked to a man's office door? McAdoo will tell you theories don't satisfy a sheriff; for he got out of politics and went into private life because he could no longer afford to be a patriot; and not a hundred miles from Ottawa were some Cabinet Ministers who didn't pay their income taxes because they hadn't the money left from food, rent and clothes to pay them.

I simply want to know whether we should pillory our statesmen for meekly and fearfully asking a raise of pay for their jobs.[1]

(1) In 1921, when unemployment was at its apex, these wages had fallen barely 20%.

CHAPTER XVI.

By Aeroplane Out Over The Mountains Of Peace River

First, I wish to disclaim that in coming out over the mountains of one of our farthest North rivers I did anything extraordinary, though it may be classed as unusual. I did not come out by aeroplane because I wanted to, or had so planned; but because I had to. I was pressed for time to fulfil engagements. The canoe with a motor, which I had engaged to come down 800 miles of the great sweeping curve in the river across the Divide, had gone wrong far up stream beyond the reach of telegram or mail; and the fur trade steamboat, which was to bring me out the next 1,000 miles, struck a sand bar in low water, and sat down for the winter with her hull in the mud to await the heave of spring floods.

Then the schedule of the train, which cuts like a diameter across the half circle of Peace River, was changed at the last moment; and it meant indefinite delay getting across to the North side of the river and out, or attempt "a flight" over delays and difficulties. Ordinarily, you may motor from the South side of Peace River to the North side of the Great Bend; but the fall rains had set in, followed by frosts that cut the roads into sticky plow furrows; and that way of exit was barred. The aeroplane was there; so I took it.

Yet only four years ago, I sat in my office on Fifth Avenue, New York, and used every persuasion in my power to prevent a young aviator trying to fly across the Rockies: it was unsafe; the atmospheric conditions and winds among the peaks created pockets of air, into which the aeroplane might "lump" or fall; a dead engine among peaks meant certain death, for the fogs were thick as wool at cloud line. Hadn't I been caught in blizzards on Mt. Stephen? Didn't I know? Didn't two of us sit roped to a Swiss guide for three hours in a snowstorm thick as flake icing waiting for the air to clear, so we could come down? Didn't we strike the heavy timber line coming down after dark, and have to do the rest of a six or seven mile bridle path at a fast dog trot, stubbing toes and banging into trees where we failed to get "the feel" of open way ahead? I ought to know, for we put the old Swiss guide on the rope aft so he would brace us if we fell coming down over the iced rocks, and I had to set the pace to the fore through the dark when we hit the timber line. What if your aeroplane went dead in that kind of a predicament? If you came down through a blizzard in that sort of a landing place, you would be smashed on the rocks or amid the big timbers. I recall I finished up my advice to the young aviator—"Flying will *never-never-never* be either possible or safe in the Rockies. I have climbed mountains all my life. I know." That was four years ago; and here was I doing exactly what I had said could not be done; doing it because I had to, not because I wanted to; and when I came down from 3,500 to 2,500 feet above the clouds lying in white banks between the high shores of Peace River, with my ears humming from the roar of the propeller—1,400 revolu-

tions a minute—and the throb of a 90 h.p. engine making a uniform 165 miles in one and an half hours, my first words were—"Safe as a rocking chair! Easier than a motor ride. The only way to do this North Country of immense distances and mountain grades almost impossible for a railroad." The only inconvenience of which I was aware, as I climbed out of the cock-pit, was that voices seemed very far away and faint; for we had come in a two-seater training plane. I had occupied the mechanic's seat to the fore, and had forgotten to tie something over my ears, or plug them. When I say I did not need to right my Panama hat, a woman will understand; for you cannot take many fast motor spins without hat or hair slightly askew.

"Safe as a rocking chair—the only way for the immense distances of the Far North," was my first verdict.

A big cattle man of the Peace River ranch country and a wheat farmer, the first man to demonstrate wheat's possibilities on the Peace, saw our machine land from the other side of the river. "I would not have missed that for a thousand dollars," said the cattleman; "and it is not because you are a woman who did it, but because, by Jove, if you could do that, do it in an hour and a half, when canoe, and fur steamer, and motor, and train fall down in service, you have given us the key to unlock the wealth of the North at last."

"Why, do you realize it takes from eight to twelve days to get out from the North Peace to the rail terminal? In rains and thaws, the railroad may be held up. Then when the train does get away, it's two to three days to Edmonton. Do you realize you have

demonstrated how we can get in and out of the North in four hours?" This from the wheat man.

Then from another—"Why, when I came into Peace River, we came in by caboose on a sleigh from Edmonton. It took us twenty days. Your flight has proved it could be done in four hours with ease."

The saving in time can best be expressed by giving figures on going down Mackenzie River to the Arctic Circle, where oil has been struck. To go in and out by the ordinary fur-trade steamer with its tie-ups for freight, wind and weather, means a trip of two and a half to three full months. Were gasoline provided ahead, you could go from Edmonton to the Arctic Circle and back in six days with as great ease and comfort as you take a train from New York to Philadelphia.

Yet four years ago I had persuaded a flyer not to try the Rockies. In four more years, I predict the aeroplane will be as much in vogue to carry passengers in the North as canoes and dog trains have been in the past.

The aeroplane is the key found at last to unlock the golden treasures of the North.

Secondly, I want to disclaim any credit for the flight because I am a woman. That has always seemed to me the silliest, most inane pose. If a thing is extraordinary because a woman does it, the woman must accept the boomerang that she is congenitally subordinary. I don't know anything that will turn my enthusiasm more quickly into an ice box than that kind of slush stuff. All the credit was due to my pilot, Captain May, one of the youngest of the Canadian aviators in the War, and one with a wonderful record. It was May who lured Baron von Richthofen across the Allied lines, where he was shot by the Anzacs below. As I heard

Captain May, at the banquet in Grand Prairie the night before the flight, describe his experiences dodging among church steeples, shot at by Richthofen's whole Red Circus, while the Canadian's two guns both jammed and did not give him a chance to fire back or beat off the great birds closing in on him, I felt I had a pretty good pilot. If "Wop," as his friends lovingly call him, could dodge church steeples chased by the Red Circus birds of Germany's best flyer, I'd trust him to dodge mountain peaks and heavy timbers even in a fog, and find a landing place even on mountains that looked steep as the Smoky, where you would have some difficulty keeping a toboggan from turning heels over head and going to the river bottom with the unpremeditated speed of a meteor.

Picture a cold night, dark as a black cat, late in September. It had rained, then turned to ice, and by morning a glassy glaze had veneered sidewalks and roofs. I had asked Captain May the night before if it would make him nervous to take a passenger who was a woman. (I knew the regulations as to Navy and Aircraft in the War: a woman friend was supposed to endanger a young steersman's life owing to nervousness for her safety; and as I had known Captain May and his circle of friends before, I did not wish to risk his safety by presuming on friendship.) He answered it would not. The banquet tended us jointly had kept us up late the night before. When we said good-night the arrangement was the Captain should arise at 5 a.m. If the rain had stopped, the clouds were clearing and the wind were not a twister that would confuse us among fogs when we came to cross the Smoky Mountains, I was to be downstairs fifteen minutes after word was

sent up. The knock came on my door at 6 a.m. I was downstairs drinking a cup of hot coffee at 6.11. I am a bad sailor in a choppy wind. I hate the sea in a choppy wind. A big storm never upsets me; but the little choppy criss-cross fitful currents I hate at harbour bars; and I am never seasick because I never eat when I know I am going to cross them.

And I adopt nearly the same policy in the wilds. The Indians say—"The swift runner travels with a light stomach." So do I, whether by motor or canoe. Eat light in the morning. Eat light at lunch. Then take your hearty meal at night, when you won't need to work on a full stomach, but can sleep it off. As I was not sure how air voyaging would affect me, I held my breakfast down to coffee. Mr. McDonald and Mr. Fitzallen of the Grand Prairie Board of Trade motored us out to the pasture field where the plane was anchored. It was raw, chilly, cold. Our teeth were chattering. Icicles hung from the motor engine of the plane and from the wings. The roads had been cut by rain and frost, and as Peace River soil has that black sticky loam that used to make Winnipeg mud famous, by the time the sun would thaw the roads, motors would either stick or skid.

As I had not planned "to fly" out, I had not my fur coat with me, only a double ply Scotch motor coat; and in the hurry of the early scramble, we all forgot I should have covered my ears. The sun was not yet up, but pencilled wind clouds scored one side of the horizon and the rolling cloud banks of the rain receding North lay on the other offing. It took the mechanic an hour and a half to thaw out the engine so it no longer skipped beats, or chugged an asthmatic cough in its punctuated

whirl. I was to sit in the mechanic's seat and the mechanic was to be left behind. The mechanic would set the propeller whirling, then jump aside with the cry, "Contact."

The Captain, with his hand on the engine, would respond, "Contact"; but I was conscious that if the thawing process kept me standing much longer on the iced grass, my teeth would not be suffering any form of "contact" whatever. They would be clicking castanets; for there is no cold so raw as the first blast that comes without the snow.

Finally, the propeller was going round in invisible streaks, and the engine humming in that rhythmic throb we mistake for the great wings when we see a hawk-like gleam of silver high above us in the clouds. She was stopped till we got in. Goggles were fastened on. It was a question what to do with my bags; for they could not be strapped outside without interfering with the air currents; so they strapped me into the front seat and strapped the bags on my lap, leaving only elbow room to lean over the edge of the cock-pit to take photographs.

I forgot a confession.

I had been in Jasper National Park when the American aviators landed at Henry House on their way to Nome. I was just entering the park by the morning train. The river was roaring down from the mountains in a turbid flood. The mountains closed steep and precipitous and formidable on each side the landing field, where the game wardens had put up flags to signal safe landing spots. I couldn't but wonder what the sense of aviating mountains was when, if fogs lay

on these knife-sharp rock walls and timbers so dense they shaded to night gloom, a false landing would smash the delicate cigar-box wings to chips. I call the wings cigar boxes advisedly, because the fine layers of wood in the cross spars of the wings and the body of the plane are of a thin delicacy like cigar-box wood. I once spent the better part of five weeks going through aeroplane factories during the War, and saw the girls varnishing with shellac the wings to keep the cotton from fraying in the terrific rush of air, and the women and men, fine fingered as violinists, fitting the layers of light wood into body and beams, if you can call cross spars beams, when they are framed light and fine as a hollow goose-quill.

Then I saw the American aviators at Prince George in the heart of the Rockies, where there was a slight mishap that might have been a bad one. It was a bad landing place—stumpy and constricted; and the landing was awkward. A machine was damaged. Now as I had been coming along the Fraser, where the heavy forests are dank and dark as Rackmann's drawings of witches' domains, I had been wondering how in the world aviators could expect to navigate such landings in a fog. If their engines went dead above these heavy timbers—what? It confirmed my condemnation of flying above mountains four years ago; and here was I about to cross mountains in an aeroplane myself. It struck me that if a plane came down amid the dark forests of the steep Smoky, someone would have to walk out for aid ninety to ninety-five miles, and someone would have to stay with the "bird"; so I had taken an old trapper's advice and put into the bags chocolate enough for two or three days, raisins, capsule proteins.

I don't know that I confessed this to the Captain till afterwards.

But I was sure "flying" mountains was unsafe till I tried it.

As you look at an aeroplane set off bouncing over the ground, you recall your sensations on your first horse-back gallop. That is surprise the first when you fly. You are unconscious of a bump. You hear two voices cry "contact," "contact." You see a blurr flying round in front of you. It is the propeller. Your ears are deafened by a roaring throb. You snuggle down behind the little windshield to keep the flap of your hat from beating your eyes, and you turn to wave good-bye to your friends. They are not there. They are away behind and below! The earth is falling away. The bushes are swimming past. There is a barbed wire fence in front rushing at you with the speed of an express train. It somehow skims under you. So does a browsing cow, who starts up with a bellowing gallop at the shadow of a great bird on the ground. Why is it *your* plane's shadow. You are up and away and off, up and up and up, with the familiar landmarks of the town kaleidoscoping below you like a moving picture. You don't rock. You don't bounce. You don't bump. You glide-glide-glide, at incredible speed and incredible lifts; and the emerald green lakes are silver below you, with the shadow of a great hawk on their surface; no not a hawk, but some of those flying monsters you read of as prophesies in the Book of Daniel, as with great wings and wheels and a snout with whirling horns and neezings of fire, and the face of a man between the wings. (I really wonder what that old prophet saw; and if I could tell whether he saw it in his own mind,

or photographed in the etheric medium that surrounds such personality—I should know the key to mysticism and much of the occult.)

Anyway, you see the Prophet Daniel's vision in replica in the shadows on the ground below, on the silvered lakes, on the rainbow-tinted clouds just where the sunrise throws your shadow against their white banks, a snouted thing with a single horn in front, great roaring wings, neezings of fire and a man's face between the wings. Read the prophecies on the aeroplane!

Your first shock is how comfortable and even you are riding. You could write on your wind-sheltered lap.

Your next shock is how much clearer you see from above than below. I could gauge pretty well how high we were climbing, for I know cloud line on mountains. We averaged perhaps 2,500 feet above surface, perhaps 3,500 when we came to the clouds in snowy banks above the Peace and Smoky. But that is not the second shock. The second shock is this: you know the thrill and exhilaration when you get above the 5,000 foot level in mountains. The earth is below your feet. Your lungs are full of ozone and your brain of a champagne of sunlight and piney odors; but clearly as you seem to see from mountain heights, you do not see clearly as from an aeroplane; for you are looking through layers of air close to earth. In the aeroplane you are looking through layers of high rarefied air far above earth. From below, when you look up to an aeroplane, it has the appearance of a remote hugh hawk. You cannot see the man's face. But from above, when you look down, so clearly do you see you can discern the upturned faces of lonely settlers in front of their cabins, of a hen scuttling her baby chicks under her wings from the great hawk, of

cows galloping from the shadow and horses undisturbed by it. The hay stacks look like ant hills. The fields are checker board patches with silver ribbons for rivers and mirrors in green and blue for lakes, and velvet moss on steep mountain sides, where these forests had looked like dark, dank, eerie places far below. You see clear as through a telescope. I began photographing over the edge of the car, and changing films in my lap spite of the wind.

Now note what follows; for it completely reversed my verdict on "flying in mountains." I suddenly recalled a mathematically demonstrated fact I had picked up when visiting the aeroplane factories during the War. *For every mile you are vertically up, you can slide or glide down if your engine stops eight miles. That gives you a possible landing area of at least sixty-four square miles.* Now, as I looked over the edge of the cock-pit I became aware of what I had known perfectly well before, but had not realized its bearing. *If you have a landing radium of sixty-four square miles for every mile you are up, there is no area in this moisture infected Northern climate of sixty-four square miles where there are not rivers, sloughs, lakes, countless.* As we banked down one steep slope of the Smoky Mountains, I deliberately photographed the steepness and the bare spots to show that in the most heavily forested areas are bare patches. These bare patches are too steep for a landing, but you can count twenty on that slope. But how about "landing" in an aeroplane on water. Wouldn't the weight of the engine sink you like a stone; and you are strapped in? Yes—if you use an aeroplane. But how about a flying boat? It can "land" or make its home perch the width of a warship's deck. It can take

off in the same space. It is roofed over like a great whale, with mica windows, no wind, no rock, no strap and easy chairs. It can spank down to the countless sloughs, lakes and rivers of the North safe as to its own landing fields. Change "aeroplane" to "flying boat"; and you have at last unlocked the treasures of the North sure as key ever unlocked giant's treasure box.

And think what these treasures are!

Only ten years ago, Peace River was a great hunting field about the area of Texas and Missouri combined—800 miles in one direction by 500 to 600 in the other direction. That is not the entire length of the river. That is the area of the Peace River country where farmers are now raising wheat and cattle—40,000 American farmers there are in the wheat districts only in the Great Bend South of the River, radiating out from Grand Prairie.

Along the Peace and the Mackenzie are gas and oil deposits that have been burning and escaping in seepage constantly from 1789-92, when Sir Alexander Mackenzie first reported them. There is one gas well on Mackenzie River which has burned 10 million cubic feet a day since 1792 down to 1919-20, when it was at last cased down.

Since 1871, it has been known that between the Peace and the Liard lies a gold area giving indications of a second Transvaal—the head vein of Yukon placers; but how could white men get in and out from such a region? This was no second Alaska which you could reach by sea. It was an area 800 by 600 miles, at least 1,200 miles from the jumping off place into the big timbers; and through the big timbers you could only go by canoe in summer; for the snows are too heavy for dog trains in

winter. That meant a man going in this summer could not come out till next; but what if he and his provisions could go in by flying boat? They could be in in twelve hours with fifteen tons of provisions a trip. In 1920, over a million dollars of freight had been conveyed to Great Britain by aeroplane, over $2 million of freight taken out, and over 1,300 aeroplanes have arrived with passengers and freight from Europe. The cost runs about two and a half times the charge of rail and steamers; but the saving in time cannot be estimated. Three months in the Canadian North it would be as against twelve hours. In other words, you can do in an hour by flying boat what would take you a week by canoe or fur trade steamer.

Gasoline would have to be sent in ahead; but then gasoline has been discovered in this country.

It has all the exhilaration and sensations of mountain climbing without the climbing.

It has all the glide of canoeing without the exertion of the paddling; and it has a speed incredibly fast as thought.

Right here I want to ask a question I have asked friends many a time, and never had one answer correctly off hand. What makes an aeroplane fly? Is it the flap of the wings like a bird? Well, the wings of an aeroplane don't flap. They are fixed and immovable as the laws of the Medes and the Persians; they are fixed by spars and wire guy ropes and shellac varnished linen and cotton, hard and tight drawn as a balloon ball. The propeller of course, but how? By forcing the air back under the wings, which lifts them from earth; and the engine drives the propeller. The problem has been to construct body and wings light enough to

rise easily, strong enough to resist the weight and throb of the engine, and taut enough not to collapse or fray in the terrific rush of air.

The one and only disadvantage is, while you cover immense distances fast almost as thought travels, and get a reconnaissance map of the country in your mind, you do not get intimate contact with the humanity on the map. You do not get accurate close knowledge of values and conditions as when motoring or canoeing. Before I left Grand Prairie by aeroplane I had motored over hundreds of miles of the wheat country. Ten years ago, this was a No-Man's hunting fields; and now I motored through and photographed marquis wheat shoulder-high. I met settlers from Texas to Minnesota —40,000 settlers there are, the great majority from the United States, settlers of the same character as crossed the hard trails to Texas, the hard trails to California, the hard trails to Oregon. How did they do it? Four hundred miles to-day the trains run from Edmonton, 800 miles the river comes down in a great curve from the mountains, before it takes another 1,000 mile sweep to join Mackenzie River.

It is easy to see to-day the mistake made in the direction followed by the railroad. Peace River country is a great oblong, longest from West to East. When the railroad went in there were no settlers. Sheridan Lawrence had grown wheat at Ft. Vermilion; but that was regarded as a sort of freak. The railroad followed the low grade to Lesser Slave Lake, which is about the area of Lake Erie. Here were fisheries for bulk freight; but unfortunately the fisheries for the bulk freight led over muskeg, through bush land, first along the end of the oblong, then up along its North side—the two long

sides. Now the wheat area was in the very heart of the oblong. Following its two sides, the railroad ran over 400 miles. By cutting to the heart of the oblong, it could have penetrated the wheat country in 186 miles from Edmonton; but there was no wheat country when the line was built. All that has followed later; and where roamed the grizzly and the moose ten years ago, yellow wheat fields sell to-day at $25 to $45 an acre; and within another twenty years will grow up central cities like Winnipeg or Kansas City. How can wheat grow so far North? Look up a geography of fifteen years ago! This section is marked hyperborean. It is —in winter; but in summer are twenty-three hours of sunlight, and that does the trick forcing rapid growth to beat the early frosts.

By aeroplane, you don't meet people in neighbourly fashion. You don't hear experiences that are human documents, like the Minnesota family's, that came in by caboose over the snow 400 miles in 40 below zero winter, and homesteaded I forget how many quarter sections—there were nine sons—made good, sold at $20 an acre, went back to Minnesota, grew lonely for the long daylight and snowy peaks framing the emerald lakes in fields of gold wheat, rented their Minnesota farm at $12 an acre, came back and bought in Peace River again at $40. You don't hear of the man who wintered 900 cattle in a 50° below zero winter climate North of the Peace, and lost only 3% of his herd in the worst winter the North has known for fifty years; nor of the young Minnesota girl, who married a Canadian boy, and when he went to the War, carried on the wheat farming herself, and in addition raised seven colts, which, grown to horses, put him on his feet financially

when he came back from the War. You don't see a Russian out at seven in the morning cutting oats, while his wife stooks the sheaves, and see the same couple out at nine at night still toiling to beat the weather. You don't see little Austrian children playing round a school, being trained into good little Canadian citizens, unconscious of the aftermath of hate from a great War.

I looked over the edge of the car and thought of these people whom I had visited below. What of it? Was it poor Neitzsche said we think clearest when we are high up; we stride in thought from mountain peak to mountain peak? What was Canada's future? Here was a melting pot—an area the size of Texas and Missouri supporting Americans in the preponderance, Austrians, Russians, Canadians, a few, a very few English. The War has wakened Canada suddenly to an acute national consciousness. She is older than the United States in point of history, and has not eight million people compared to the United States' one hundred and five millions. Why? Her returned men are asking that question, and will not be gainsayed. What sustains the British Empire? All the world knows to-day that the era of a sea-power has passed forever in history. Aeroplane and submarine remain the undefeated instruments of War. The dreadnought is a beautiful bubble to be pricked by either aeroplane or submarine. We are entering on another great world era—land-power. Admiral Mahan's book must be re-written; for the submarine and aeroplane remain undefeated. What will land-power entail in world history—an unlimited supply of food: an unlimited supply of fuel for aeroplane and submarine flotillas. We are leaving the golden wheat fields far behind us on the South. As we came to the

junction of the Peace and the Smoky, we could see the oil derricks where this same rich land, like a second Texas or California, promises to pour out not only food for an empire but fuel for the defence of the empire.

If one sees farthest when highest up, we were now climbing to get above the thick cloud banks lying between the high mountain shores of the Peace. If one sees clearest highest up, what did all this change from sea-power to land-power imply to Canada? Below was an empire of fuel and food. Below were American settlers, Russians, Austrians, Canadians a few, a very few English. If England pours in English colonists, not in thousands, but millions, undoubtedly the change from sea-power to land-power implies the future Great Britain in Canada, not a little island fenced from land enemies in Europe by a line of submarines and aeroplanes; but a Great Britain like the United States North of the Boundary. But if England does not pour in English colonists—if she grudges them to Canada—if the Americans increase and the Austrians increase and the Russians increase, and the Canadians succeed in nationalizing them all—as I dreamed—the captain touched my shoulder from behind. The sun was coming up over the snowy mountain peaks like the sunrise of a new nation. The clouds were racing below us. We were dropping in careful glides to land. I leaned over and photographed the clouds at each level till we were swirling through them.

Here was the only danger spot in the flight. On each side were rough steep hills. We were in the clouds above the water. If the careful pilot had miscalculated there and "landed" us in the water like the fur trade vessel, we would have gone down like a stone and stayed down till the spring floods covered over a sunken engine; but

we took our glides in easy spirals. When high above the milky folds of clouds, we could see through them as a woman sees through her veil; but now they lay below us in billows of white shining silk. We no longer saw the mountains lining the river, nor the hill tops coming up through the oceans of clouds in islands. Wisps of clouds went racing past us in ragged whirls. I suppose they "whorled" because we were taking spiral glides in them. Then you had a sensation of the clouds passing you in streaks of torn ragged gauze through which you caught glimpses of shining water below and islands where the Smoky joins the Peace, and of people running out of little roofed houses and looking up. Once where the sunrise struck aslant, just level was the shadow of a hawk on the clouds, and in iridescent gleams were rainbows in the mist, gone like the vision of a dream. Then we were circling very slowly just above the river, and went bounding over a shingly beach not much wider than a war vessel's deck, and certainly not so long. I got my bags out, then the big belt unstrapped from around my waist, and slipped my big motor coat off before I could unlimber and climb from the cock-pit of the fusilage. My limbs were not stiff; for I had stretching room in front towards the engine; but my ears hummed as if the drum had snapped; and the Captain's voice sounded like a faint echo. If I had had a fur collar strapped across my ears, I think this could have been avoided. It was not cold. It was the throb and roar of the propeller and engine. The deafness wore off in a couple of hours. Apart from that, I had been as comfortable as sitting at home in front of my own fireplace; and the two seater training plane is notoriously not the most comfortable traveller.

The saving in time can only be compared to a pair

of long legged scissors looped by two great twists of twine. The loops are the river. The scissor legs are the railroad. Canoe and fur trade steamers have failed on the river. You can come down one leg of the scissors to the hinge from the South Side of the river, then go up the other leg of the scissors to the North Side of the river. Instead we had "flown" across the mountains, the shortest distance between the two legs. Saving in distance by river, about 1 to 16; by railroads, 1 to 4. Saving in time by river an hour and a half versus twenty days, by railroad an hour and a half versus a week; for the train ran only once that week; and you had to go down to the junction from the South and back from the junction to the North.

North Peace River also raises cereals, but it is essentially the great cattle country. I never saw such cattle. The vetches and wild grasses are belly deep, and the cattle sleek and shiny as buffalo. The North Peace is also the jumping off place for the Northern fur trade, for the last stand of the whiskey boot legger and the dope fiends and the backwash of indecency before decency. It is a transition stage that will not last; and it is well for the North Peace to see that it does not last. On the train on which I came out were a man from California with money to invest, a group of Eastern bankers with money to invest, and a scout for a European banking house. The track bed had to be negotiated at about three miles an hour over a bad section of muskeg. As we ground slowly over this rocking section of gumbo wash and bog, six whiskey bootleggers took possession of the car. A gentleman from the Holy Land was called a name by a gentleman of thick lips and thick thighs and very, very thick voice and very unclean brogue. I judge the other four

gentlemen, who were very young and very green indeed, or they would not have allowed themselves to be corrupted by a pair of unclean middle-aged smuts, sat on the gentleman of the loud, thick brogue and took his gun away from him; for his protests were the choicest streams of a cesspool undiluted that could defile the ears of a car. The reaction on the prospective investor doesn't need telling. If the Landing likes that kind of thing, far be it from me to protest against its taste. Many places have to go through a typhoid fever stage before they put in good sewage system. The North Peace hasn't put in its moral sewage system yet, and is apt to drag some good material in its slime before it does so. For instance, next day when a provincial constable who was on board tried to make a sham investigation of the gentlemen, whose names he had in his notebook, they hid themselves and their baggage in the stateroom of a local fur manager, whose door the six gentlemen were about to kick in the night before.

In fact, not a little of the present demoralization is due to the transition stage of the fur trade. High prices lured gamblers and bootleggers in last year as buyers. Whiskey played a part unknown since the old struggles of a hundred years ago—doped whiskey at that; and the Indian retaliated by destroying the caches of the white blackguards who debauched his family. It is a nasty and unclean situation. The fall in prices has driven out the bootlegging gamblers in furs. It is up to the Canadian Indian Department to drive out the dregs of this unclean gentry.

I could not but compare the trip by aeroplane through the pure washed morning air at ninety-five miles an hour to the grinding along at three miles an hour on a train amid the fetid stench of six lewd drunks.

CHAPTER XVII.

What Of The Future Of Canada And The United States?

Come back now to the question, which the Canadian soldiers are asking themselves.

"What is the matter with us? We haven't quite thought it all out yet; but they are going to hear from us in Parliament when we do. Our man-power is all right. We proved that in the War. We won our status as a nation. We know now our largest provinces are bigger and stronger economically than the boasted German Empire, which we licked. Our medium-sized provinces are richer and larger than France; and our smallest provinces are richer and bigger than the Belgium we helped to save.

"We have a country slightly larger than the United States, including Alaska. It is rich in resources, and the same resources as the United States. In point of history, it is slightly older. Yet we have to-day only the population of the United States in 1815. Why? What is the matter with us? Why haven't we developed and grown faster? It is all right for an excuse to say better safe than sorry, and slow than mushroom growth; but the United States' growth has been safe and not sorry. If we had her population, our War Debt would be only $20 a head. Instead, it is closer to $300 a head. The United States grew in population in forty years almost 40,000,000. We gained

in population from 1910 to 1914, over a million and a half, or about 400,000 a year. What stalled us on a million a year?"

He is doing some deep thinking, is the youth who spent four years on the firing line, and came back with an old head on young shoulders, having won not only manhood at the cannon mouth, but nationhood; and there are over 400,000 of him, the leaven of the future of Canada for fifty years.

He looks back; and it is easy to see how the first hundred years of national life were wasted by sparring between Ontario and Quebec. Yet Quebec and Ontario are working in perfect amity to-day. Quebec is the great stablizer of Canada to-day. It is exuberantly prosperous in factory and on farm; and its prosperity is founded on bed-rock of more income than outlay; and it has kept the faith of its fathers and its founders. It is as Catholic as it ever was, and it is, in addition, a nationalized Canada, not an off-shoot of France. Why didn't the two great Eastern Provinces come to terms sooner?

There comes on the young searcher's mind the first doubt of accepting things as they seem. The two provinces didn't come to terms sooner because it paid factional leaders to lash up racial and religious antagonisms to keep themselves in power. Same old game he saw working out its bloody tragedy on the firing line: autocracy in Germany trying to keep itself in power by rolling back democracy, though that might destroy half the world. Not for nothing has the Canadian youth gone abroad and gone through Hell to find the long way home. He has found his soul. He has found Canada's soul; and he is back to nationalize Canada.

A galvanic battery doesn't make much noise. It doesn't orate, but if you get hold of it, you will get a shock or two. He says "they will hear from us in Parliament"; and they will. They will hear from him in all the world.

Then, he looks round on Canada as she is to-day, and he isn't a very demonstrative listener to the park orators, who stayed home—to the old political spell-binders beating the war-drums to the tunes of the old party cries; but somehow he doesn't rally to those cries any more. Free trade *versus* protection, East *versus* West, Farmer *versus* Manufacturer, Labour *versus* Capital—the clap-trap means nothing to him now. He didn't fight for them, "They'd better compose their differences," he says very quietly, "or they'll hear from us in Parliament. We won the status of a nation and we are going to assume it; and whatever opposes us will get the same treatment as the Hun on the firing line—the persuasion of a bayonet handed to him on a ballot."

So less than three years after the armistice have witnessed the old parties in every one of the nine provinces of Canada junked for what is called an Independent Party. It may be a Farmer Premier as in Ontario and Alberta and British Columbia; or it may be a Union Government as in the Federal House in Ottawa; but the fact remains the old party cries have lost their potency. Only the party that stands four-square for non-class legislation gets the votes. Federal, or provincial, only the leader who stands for a Unified Nationalized Canada gets a following.

Though a farmer himself of the most progressive modern type, when Premier Stewart of Alberta was

recently asked his opinion on some purely farm legislation, he turned the interviewer down flat. He would not stand for purely class legislation; and he knew the new electorate galvanized into a new national consciousness would stand still less for it. Premier Oliver of British Columbia went into Peace River and thundered against "the damnable Tory Government."

"Oh yes, of course, we applauded him," said one of the dyed-in-the-wool Grits, "but what we wanted to know was what he was going to do to put Peace River on the map as the great grain and cattle section of the North-West." Premier Drury, also a farm premier, is running true to the new order in Ontario.

It may be explained to the American reader that the Grits, or Liberals, are the old free-trade, low-tariff party, analogous to the Democrats in the United States; and the Tories, or Conservatives, are the old high-tariff or protection party, similar to the American Republicans; and men of old line distinctions cannot understand how party government is to function if these old distinctions are to be wiped out.

And the war had already wiped them out before the new national consciousness had demanded a unifying of all aims to a one end—an All-Canada Party. Free trade is no longer in the realm of practical politics, for the simple reason the War Debt has to be paid; and it can be paid in only one of two ways—by a tariff on imports, or an increased toll on incomes; and the toll on incomes is already as heavy as taxpayers can carry.

"How then," demand the old line men, "are we to reconcile the demands of East *versus* West? The East demands a tariff for protection. The West demands lower tariffs, if not free trade, on implements for the

farmer. How are we to reconcile Farmer and Manufacturer?" And I have heard Canadians of the old school attempt to answer those questions by seriously discussing whether the answer would not resolve itself in the future into another great national split—the East for high tariff, the West for free trade.

Not to sanction another split in national aims, another stall in national progress, has the returned soldier come back thinking hard and saying nothing.

I had been looking over the prices paid for implements by soldier settlers on Lake Winnipeg and again on Peace River. Now I buy my implements from Chicago for use in New York State; and my receiving station is only one hundred miles farther from Chicago than Winnipeg is from Toronto. Yet here was the comparative scale of prices—1914, wagon, New York $54; Lake Winnipeg $100 plus; Peace River $154: binder, New York, $115 to $140 according to fixtures and width of cut; Lake Winnipeg $265 to $275; Peace River $325 to $350: mower, New York $42 to $75 according to swath and size; Lake Winnipeg $89 to $95; Peace River $100 up: rake, New York $25; Lake Winnipeg $57 to $60; Peace River $80 up.

Freight rates do not explain this wide difference in prices.

I asked my young Canadian how he and his one-Canada party proposed meeting that spread in prices. Put a free list for imports from the United States, which now total a billion, where we sell to the United States only half a billion—and that could be cut off by a high U.S. tariff wall—and the U.S. imports might swamp our Canadian markets, sending our exchange down, not to 14 and 18%, but 50% on the dollar. "Well," he

answered, "Ontario and Quebec pull together in team work now, don't they? Let the Manufacturer and the Farmer. If the Canadian manufacturers can't meet the American manufacturer on long-haul shipments, let him move his plant to the West, and manufacture on the ground where the farmer buys and sells. You say it is because there is competition in New York, that you can buy Chicago implements as cheaply in New York as New York implements. Let our Canadian manufacturers do the same——"

"Or?" I pressed—

"Or we'll solve it by some co-operative movement as we solved the selling of our Western grain."

I asked him how he was to solve the Labour *versus* Capital factions. He was not afraid of that line of cleavage, though it made a good deal of noise and gave politicians the shivers; because Canada would always remain a land of essential producers. Essential producers are always capitalists and labourers in one and the same person. The farmer is a labourer, but he owns his own labour and graduates gradually into the capitalistic class by pooling his savings with other farm savings, which was demonstrated by the wonderful rise and growth in power of grain growers' exchanges. Then he told me of cases he had studied in England, when though the labourer could not be put in the profit-sharing class because the profit might be loss in bad years, the labourers had been turned into capitalists by becoming share holders; and I thought of examples on the American side of the Boundary in U.S. Steel, and Bethlehem, and the Ingersoll Watch Company.

But young Canada is not thinking in terms of domestic problems only. Young Canada has spent four years

under the Imperial ægis, and has studied out very deeply what that means in Canada's relations to the rest of the world.

"Of course, the Hudson's Bay Company discovered and explored and held North of 49° for the Empire," he reasons. "It was one of the greatest empire builders of Canada; but it kept us locked up too long. American settlers were going down the Ohio and up the Mississippi in hundreds of thousands by 1820. Outside the fur trade, we hadn't 2,000 whites West of Red River in 1820. We didn't really get going till after 1870. That delayed North-West progress fifty years. That would not have happened if we had been managing our own affairs for the benefit of Canada."

In other words, the New Young Canada stands for not only a deep new Canadian national consciousness, but for a Broader Imperialism than he has, himself, yet articulated. But one cannot go deeper into Canada's external commercial problems without learning that on this, too, his instincts of national consciousness are true and sure.

Take the question of Great Britain's huge re-export trade—far more the secret of her greatness than her merchant marine, which is only a feeder to her re-export trade.

Great Britain does the hugest foreign trade in the world. How? By importing raw material—wheat, cotton, wool, meat, minerals, every commodity under the sun—and sending it out to the markets of the world manufactured. Your Canadian boy has seen these things, and he has seen them with his eyes opened, in Liverpool, in Southampton, on the myriad docks of the Thames. At first, it gave him a thrill of pride to see

lumber from his own home port on the Pacific, wool from his father's sheep ranch in Alberta, wheat from an uncle's farm in Saskatchewan, print paper from a pulp mill where a pal of his laid out the engineering, fur from a Northern post where he may have spent a winter; but the thrill of pride gave way to a shock of awakening when he learned the prices at which these Canadian commodities were re-exported to the markets of the world—lumbr put on cars in British Columbia at $30 to $35 quoted in London at $120 to $130; wool that used to sell at 18 to 25c going for $1.50; wheat sold at $2 per 60 pounds in Saskatchewan sold as barrelled flour up to $14 and $18 and $24 for 198 pounds; print paper, costing $40 to produce, anything from $140 up; otter, for which the trapper got $18 to $30, knocked down at $100 plus.

"Why don't we sell direct to the markets of the world ourselves?" he asked; and all the time he was unaware he was formulating a new national policy, pushing a new national consciousness and apperception out into new channels for Canada's future. "The old bunk," as he says, "won't go any more. We are into a new world, and must play a new game according to new rules." He hasn't articulated this yet in detail; but please observe the armistice was not a year old before Canada asked the establishment of her own Legation in the United States. That request has been deferred for the present, but it will be realized ultimately just as surely as the old party lines have been obliterated in the nine Canadian provinces. One could go more fully into that postponement and the real motives behind it; but the time is not opportune; for the New Young Canada stands loyally, dauntlessly and unswervingly behind Imperial

aims. But just as loyally, dauntlessly and unswervingly does the New Young Canada stand behind her own new national aspirations. And those national aspirations will not be gainsaid.

Young Canada knows in a land of 47,000,000, where unemployment is rife and man-power plentiful, there will be such a migration to her own shores as the Old World has never witnessed. She is not going to hold that migration back by bickerings in the family. I doubt if she wants much of a voice in Imperial affairs. I did not hear a single thoughtful Canadian of the younger generation say so; but she does want a unanimous and full voice in her own affairs to work out a national destiny.

Suppose her hopes are realized. Suppose 30,000,000 immigrants pour into Canada in the next fifty years? And where else is there for them to pour? Where else is there, if not free land, cheap land? The United States are entering on a reversal of their immigration policy for a hundred years.

The policy to restrict all immigration to the United States for a term of years has been rejected, chiefly on the farmers' plea that he needs the very class of immigrants who would be barred. To Labour's claims that there are at time of writing some three to four million people out of work in the United States, the farmer turns a rather cynical and deaf ear. He draws attention to the obvious fact that the farmers work from four and five in the morning to six at night, with neither union hours nor union wages. The farmer produces according to schedule of season, sunlight and weather, and he takes the price he can get for his produce. When Labour does the same, the farmer contends there will be

no unemployment. "If I refused to look at work unless it was six to eight hours a day at $10 a day, I guess I would be out of work too," says the farmer. So the plan to block all immigration was given up and a new compromise law offered to admit only a percentage of immigrants to the United States, based on the nationality of the aliens already in the United States. The compromise may, or may not, pass. Compromises seldom satisfy. They leave both sides sore; but the fact remains that the Statue of Liberty, which has been a goddess with a welcome for all, in the future is likely to have a gate requiring a ticket of admission. Where else are there as many opportunities as in undeveloped Canada? Only some world cataclysm, which we cannot foresee, can prevent such a migration to Canada as the world has never seen.

And in saying this I am not discounting counter factors.

I am not discounting the fact that Unionized Labour in Canada is against big immigration. The International Brotherhood, of which soap box orators prate, is at present doing all in its power to bar out its International Brothers. This policy is easily explained. The barred colonists go back to their own lands more discontented and revolutionary than ever. This forwards the great World Revolution of all Labour for which the Internationals are working. It also keeps up the wage level in American and Canadian industry, and so invisibly but subtly and surely continues to confiscate capital and transfer it from the savers to the spenders.

I am not discounting the fact that Canada's immigration is likely to become more and more rigidly selective. We are no longer to be the dumping ground for Euro-

pean malcontents, agitators, criminals, sub-normals. But let Canada erect all the selective tests she deems wise, her own great need is more and more toilers, more and more producers of work; and these are coming to her shores in undreamed hordes; and her mechanism is ample to care for them. Her immigration policy is now one of the best in the world. She does not permit the diseased or mentally unfit to embark for her shores. When the immigrant reaches the port of entry, he is not dumped in the nearest city. He is met by a government agent and guided to his destination. Is he a factory operative? To the factory and waiting job he goes. Is he a farmer—and it is the farmer for whom Canada particularly bids—he is put on the train and sent to the farm areas for which he has expressed a preference. At the farm destination, he is again met by a government agent and again—if he so wishes—guided in his location. It is where colonists have resented this guidance and persisted in choosing poor locations that they have come to grief. The same paternalism, or maternalism, if you like to so to call it, is exercised regarding incoming women colonists. Single women are selected on the other side of the Atlantic. They are brought out under care of a woman immigration officer and placed in the positions for which they are especially qualified—the great need in Canada, as elsewhere, being domestic help. Again, it is where this guidance is ignored that the new woman colonist comes to grief. Perhaps she has a little money, just enough to place her in the investor class. She resents tutelage and goes her own way. She may invest wisely, or she may invest unwisely. In one case, she praises the new country. In the other, she blames it. But this does not end Canada's care of her colonist.

Patriotic Associations, Women's Institutes, Red Cross Units, Soldier Settlement supervisors, out on each field in each province, stand ready to guide and give a neighbourly helping hand in time of stress.

So Canada's rigidly selective system does not spell exclusion. The better the system is understood the more colonists it is likely to draw.

Nor am I discounting the counter factors of the boomerang from the last great land boom. When over twenty small towns and cities fell down in interest on their bonds in 1919-1920, the boomerang of a boom doesn't need any details of condemnation. The boom hanged itself with its own rope. The fur boom of 1919-1920 was probably the last example of this. Prices for furs went so high, dealers stopped buying; but the boom prices had so permeated the trappers' field, the trappers refused to lower prices, and so in 1920-21 did not have the grub-stake to go back to their hunting field. One big English company, which bought at the top prices and had to sell at the low prices, went bankrupt, and the losses to the Canadian buyers cannot be computed. In one small town I know, they will exceed $300,000 on one single consignment of furs; while the boom came with a back kick on one big American firm to the extent of $14,000,000, which certain banks of the United States had to carry. Canada is paying for these boomerangs now. The booms are a thing of the past. So are the boomerangs. What is coming to Canada now is the great ground swell of a new sturdy, strong tide of incoming white workers for fifty years.

It is coming because there is no place else in all the world where it can go.

What of Latin-America?

White emigration to Latin-America is decreasing. There were 60,000 whites in Mexico ten years ago. There are less than 5,000 to-day. Climate and an anti-foreign policy explain this decrease. We may talk our heads off about international amity with Latin-America. We may hold festas and celebrate international congresses. Where and when the negro, the Hindoo, the Japanese, the Malay are welcomed and the white rebuffed if not murdered, purely because the Latinized Indian fears that white ascendancy commercially may lead to white dominance governmentally, we may take such protestations of friendship at their exact face value. In a great world line-up, Russia and Germany in one group dominating the Slav races; Japan and China in another group dominating the Oriental races; the Moslem group dominating the Turkish Asiatic races; Latin-America, as it proved in the War, will play far more readily in with Asiatic and Slav groups than it will with the Anglo-Saxon democracies. The Oriental group, the Slav-German group, the Latin-American group, are to-day each and all heaving like a seething volcano with anarchist revolutionary unrest. What these seething volcanoes portend for civilization, we have only to examine Russia or Mexico to learn. It is not a heave forward to a new type of civilization. It is a heave back and down to the slimy cesspools of animalism and savagery and crime and starvation. We are not dreaming of things as they ought to be, or as theorists predicted they would be. We are dealing with facts as they have worked out in Russia, in Mexico, in Austria, in Armenia, in China. The Red Terror is there, and the Monster, which it created, is now devouring its own children.

Suppose, then, Canada grows to a population of forty millions in the next half century, as the United States grew from 1820 to 1870, what of the future relations with the United States and the British Empire?

The Greater Britain Over-Seas—the heritage of the sea-rovers of the world's outer meres for four hundred years—will be North of the Canadian Boundary. Can anyone doubt the soundness of Franklin's aphorism—We must hang together; or be hanged separately? And the greatest enemy to the civilization of the human race is any influence which would drive a wedge of rupture between these two great democracies, which have proved their fitness for self-government by first winning it and then making it work. It is as if the very ark of the covenant of human liberty had been placed for safe keeping in these hands. Whether the Light shall grow more and more into the Perfect Day, or be extinguished in such a conflagration as buried the ancient civilizations of Central America beneath the pedregal of lava waves which left not a wrack behind of all that ancient culture—depends largely on how closely and sincerely these great democracies can work together for the destinies of the human race.

But here I see Canadians with a chip on their shoulders rise in "a mighty chorus of indignation"—I quote the very words of a printed protest—and ask like the old Scottish Covenanter squelched by the moderator, to whom he shouted back—"A' might as weel be an Epis-co-lopian"—"Are we to be silent when an American judge demands 'the freeing of Canada'; or an American senator suggests swapping the British West Indies for War Debts; or an American navy officer declares Uncle Sam is going to build a Navy 'to lick England,' all of

which delectable morsels have been flaunted in the American press in the last week?"

To which I might answer what Emerson once answered a very angry interrupter—"Not so hot, my little sir!"; or what King Edward once answered to the fire-eating Emperor William, to whom he almost gave an apoplexy—"Keep cool, nephew, keep cool! You and I are not the whole show."

Just examine those foolish statements, their authors and their audiences!

The judge was a notorious Sinn-Fein leader addressing an Irish Convention. The American senator was a derelict "has-been," who had been dropped from the head lines in the press for ten years, and has been lying awake nights scheming to get back in the lime-light; and the American Navy officer was an old line man fighting the disarmament wing, fighting especially the winged aviators; and he was addressing a pro-German audience in the most pro-German city in the United States.

Each address was made with the express and sinister motive of provoking anger and retaliatory threats from Canadians and Englishmen to drive a wedge of antagonism between the two great Anglo-Saxon democracies. Are Canadians going to do exactly what these speakers schemed to make them do—fan embers of distrust to flames of hate? That is what they want—to destroy in peace the bonds of friendship forged in war. Let every Canadian paper, which publishes such fulminations, append the vital little facts—"Our friend, the judge, was a leader of the German-Irish party during the War." "Our friend, the senator, had been relegated to the junk heap by his own party." "Our friend, the navy man, be-

longs to the swivel chair bureaucrats, who don't want aeroplanes to replace dreadnoughts; and he happened to be addressing a pro-German society."

With these harmless little facts appended to the fulminations, would Canadians "swell in a mighty chorus of indignation," or a mighty chorus of good natured laughter? If you take a fool too seriously, he may take himself seriously: whereas a pin prick will blow the gas out of a good-sized balloon.

Race cries, party cries, class cries; envies, tariffs, windy threats—all must be submerged for a unified aim to a unified end—Life, Liberty and Happiness for the Human Race. And this trinity of aim can be won only in the unity of action by the three great democracies—Great Britain, Canada, the United States.

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